



**WEST COAST DISTRICT MUNICIPALITY  
ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2013**

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## General Information

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**Mayoral committee**

Executive Mayor Cllr. J H Cleophas  
Deputy Executive Mayor Ald. J J Josephus  
Speaker Cllr. A Kruger  
Cllr. A P Mouton  
Cllr. I F Julies  
Cllr. M Koen  
Cllr. B J Stanley  
Other Councillors Cllr. J Swart  
Cllr. R Skei  
Cllr. J Barnard  
Cllr. N G Delpot  
Cllr. C H Heyns  
Cllr. W D Loff  
Cllr. M Smit  
Cllr. C J Snyders  
Cllr. S R Claassen  
Cllr. E L Mgingqi  
Cllr. J J Fransman  
Ald. N V Mgoqi  
Cllr. J J Cillie  
Cllr. S T Vries  
Ald. N J A Rust  
Cllr. N S Zatu  
Cllr. C Ovies

**Grading of local authority**

Grade 4

**Auditors**

AUDITOR GENERAL

**Bankers**

FIRST NATIONAL BANK  
62001436014  
FIRST NATIONAL BANK  
53060007920

**Credit rating**

LONG TERM : A-  
SHORT TERM : A1-

**Registered office**

58 LONG STREET  
MOORREESBURG  
7310

**Postal address**

P O BOX 242  
MOORREESBURG  
7310

**Telephone**

022 - 433 8400

**Fax**

086 692 6113

**Accounting Officers**

H F Prins

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

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I am responsible for the preparation of these annual financial statements, which are set out on pages 2 to 61, in terms of Section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality. I certify that the salaries, allowances and benefits of Councillors as disclosed in note 20 of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Office Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

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H F Prins  
Municipal Manager - 30 August 2013

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J Koekemoer  
Chief Financial Officer - 30 August 2013

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Statement of Financial Position

Figures in Rand	Note(s)	2013	2012
<b>Assets</b>			
<b>Current Assets</b>			
Inventories	12	1,672,263	1,425,527
Other trade receivables from non-exchange transactions	14	11,518,743	6,676,568
VAT receivable	15	-	1,796,332
Trade receivables from exchange transactions	13	7,511,253	6,624,384
Cash and cash equivalents	16	159,236,940	134,240,446
		<b>179,939,199</b>	<b>150,763,257</b>
<b>Non-Current Assets</b>			
Investment property	10	4,811,974	4,931,161
Property, plant and equipment	9	336,540,325	311,803,125
Intangible assets	11	320,056	445,455
		<b>341,672,355</b>	<b>317,179,741</b>
<b>Total Assets</b>		<b>521,611,554</b>	<b>467,942,998</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade payables from exchange transactions	7	31,966,256	25,577,071
VAT payable	48	53,704	-
Unspent conditional grants and receipts	46	1,725,270	1,407,739
Employee benefits accrual (Provisions)	4	3,127,508	391,487
Current portion of long-term liabilities	3	10,915,703	7,944,149
		<b>47,788,441</b>	<b>35,320,446</b>
<b>Non-Current Liabilities</b>			
Employee benefit accrual	5	71,321,911	56,176,139
Long-term liabilities	3	100,755,766	83,146,335
		<b>172,077,677</b>	<b>139,322,474</b>
<b>Total Liabilities</b>		<b>219,866,118</b>	<b>174,642,920</b>
<b>Net Assets</b>		<b>301,745,436</b>	<b>293,300,078</b>
<b>Net Assets</b>			
Accumulated surplus	28	301,745,436	293,300,078

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Statement of Financial Performance

Figures in Rand	Note(s)	2013	2012
<b>Revenue</b>			
Service charges	17	88,808,087	80,575,030
Government grants & subsidies	8	82,061,757	78,036,919
Other revenue		10,341,859	10,656,637
Fees earned		402,000	48,000
Other revenue	18	1,067,872	4,555,587
Infrastructure grants		70,955,891	64,439,430
Interest received - investment		8,898,704	8,075,903
<b>Total Revenue - Refer to notes 18 &amp; 49 (Exchange and Non-exchange Transactions)</b>		<b>262,536,170</b>	<b>246,387,506</b>
<b>Expenditure</b>			
Employee related costs	19	(67,436,501)	(66,184,432)
Remuneration of councillors	20	(3,951,457)	(3,652,009)
Depreciation and amortisation		(12,485,462)	(19,525,862)
Finance costs	22	(10,793,408)	(11,163,905)
Repairs and maintenance		(13,960,968)	(21,140,936)
Bulk purchases	23	(8,719,712)	(7,628,846)
General Expenses	24	(137,083,635)	(114,174,402)
<b>Total Expenditure</b>		<b>(254,431,143)</b>	<b>(243,470,392)</b>
(Loss) gain on disposal of assets and liabilities		(11,345)	425,603
Discontinued operations		-	(34,219,816)
<b>Surplus (deficit) for the year</b>		<b>8,093,682</b>	<b>(30,877,099)</b>

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus	Total net assets
Opening balance as previously reported	322,303,481	322,303,481
Adjustments	787,611	787,611
Correction of error		
<b>Balance at 01 July 2011 as restated</b>	<b>323,091,092</b>	<b>323,091,092</b>
Changes in net assets		
Changes in accounting estimate due to adoption of GRAP 17	1,086,085	1,086,085
Net income (losses) recognised directly in net assets	1,086,085	1,086,085
Surplus for the year	(30,877,099)	(30,877,099)
Total recognised income and expenses for the year	(29,791,014)	(29,791,014)
Total changes	(29,791,014)	(29,791,014)
Opening balance as previously reported	293,300,079	293,300,079
Adjustments		
Change in accounting estimate	533,499	533,499
Correction of error	(181,824)	(181,824)
<b>Balance at 01 July 2012 as restated</b>	<b>293,651,754</b>	<b>293,651,754</b>
Changes in net assets		
Surplus for the year	8,093,682	8,093,682
Total changes	8,093,682	8,093,682
<b>Balance at 30 June 2013</b>	<b>301,745,436</b>	<b>301,745,436</b>

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Cash Flow Statement

Figures in Rand	Note(s)	2013	2012
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Cash receipts from rate payers, government and other		252,533,624	236,199,055
Interest income		8,898,704	8,075,903
		<hr/>	<hr/>
		261,432,328	244,274,958
<b>Payments</b>			
Cash paid to suppliers and employees		(210,201,573)	(247,217,307)
Finance costs		(10,793,408)	(11,163,905)
		<hr/>	<hr/>
		(220,994,981)	(258,381,212)
<b>Net cash flows from operating activities</b>	29	<b>40,437,347</b>	<b>(14,106,254)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	9	(36,243,343)	(31,657,836)
Proceeds from sale of property, plant and equipment	9	240,240	35,767,962
Purchase of other intangible assets	11	(24,162)	(13,306)
Proceeds from sale of other intangible assets	11	5,428	-
<b>Net cash flows from investing activities</b>		<b>(36,021,837)</b>	<b>4,096,820</b>
<b>Cash flows from financing activities</b>			
Loan (paid) / raised		20,580,985	(7,074,973)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>24,996,495</b>	<b>(17,084,407)</b>
Cash and cash equivalents at the beginning of the year		134,240,446	151,324,852
<b>Cash and cash equivalents at the end of the year</b>	16	<b>159,236,941</b>	<b>134,240,445</b>

## West Coast District Municipality

### Statement of Comparison of Budget and Actual Information as at 30 June 2013

Description	Original Budget (R 0.21 and 0.11 of the MFM)	2012/2013					2011/2012					
		Budget Adjustments		Final Statement of funds (R 0.21 of the MFM)	Statement of funds (R 0.21 of the MFM)	Virement (R 0.21 of the MFM)	Actual Outcome in R 0.21 (R 0.21 of the MFM)	Unauthorised expenditure	Reported unauthorised expenditure	Reported unauthorised expenditure in terms of section 12 of MFM	Balance to be recovered	
		1	2									
<b>Estimated Performance</b>												
Property fees	61 458	-	61 458	-	-	57 459	67 183	(275)	56 588	58 69	-	80 575
Service charges	8 020	-	8 020	-	-	8 220	8 825	905	111 78	111 20	-	8 076
Investment revenue	72 798	(563)	72 215	-	-	72 215	75 641	3 428	104 74	103 86	-	78 337
Transfers recognised - operational	72 865	83 644	10 749	-	-	83 644	84 366	722	100 98	115 71	-	80 775
Other farm revenue	241 172	10 146	251 337	-	-	251 337	264 115	4 778	101 90	106 30	-	246 813
<b>Total Revenue (excluding capital transfers and contributions)</b>	69 604	(314)	69 294	-	-	69 294	67 121	(1 167)	67 32	96 46	-	66 164
Employee costs	4 372	-	4 372	-	-	4 372	3 951	(421)	90 38	90 38	-	3 652
Remuneration of councillors	-	-	-	-	-	-	-	-	-	-	-	-
Debt repayment	23 701	-	23 701	-	-	23 701	12 485	(11 716)	52 58	52 04	-	19 528
Depreciation & asset impairment	13 235	-	13 235	-	-	13 235	19 783	2 422	81 55	11 94	-	11 944
Finance charges	67 183	(31 714)	26 409	-	-	26 409	27 441	6 780	77 12	33 76	-	28 775
Members and bulk purchases	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	70 372	12 626	51 754	-	-	12 626	13 095	15 468	112 72	134 41	-	148 764
Total Expenditure	248 471	13 164	261 637	-	-	261 637	254 442	(7 195)	97 25	102 40	-	277 866
<b>Surplus/(Deficit)</b>	(7 269)	(3 600)	(10 300)	-	-	(10 300)	1 673	-	0	0	-	(50 877)
Transfers recognised - capital & contributed assets	10 100	(2 000)	8 100	-	-	8 100	4 421	(4 421)	79 37	63 57	-	-
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	2 961	6 000	(2 200)	-	-	(2 200)	8 834	-	10 294	0	-	(50 877)
Share of capital & contributed assets	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	2 801	(5 000)	(2 200)	-	-	(2 200)	6 664	-	10 294	0	-	(50 877)
<b>Carries forward &amp; MFM balance</b>												
Capital expenditure	45 784	(10 700)	35 064	-	-	35 064	36 208	1 102	0	0	-	31 671
Transfers recognised - capital	10 100	(2 000)	8 100	-	-	8 100	6 421	(1 178)	79 27	63 57	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	30 000	(5 000)	24 800	-	-	24 800	25 679	879	103 54	85 35	-	31 671
Internally generated funds	5 666	(3 900)	2 166	-	-	2 166	2 168	2 002	192 43	173 56	-	-
Total sources of capital & funds	45 784	(10 700)	35 064	-	-	35 064	36 208	1 102	103 43	79 25	-	31 671
<b>Cash flows</b>												
Net cash from (used) operations	31 747	(10 246)	21 501	-	-	21 501	40 437	-	10 336	108 07	-	(14 106)
Net cash from (used) investing	(45 786)	(10 700)	(35 064)	-	-	(35 064)	(36 022)	(36 022)	(102 73)	78 71	-	4 057
Net cash from (used) financing	22 056	-	22 056	-	-	22 056	20 581	(1 415)	93 31	93 31	-	77 255
Cash flows equivalent at the year end	142 277	-	142 272	-	-	142 272	159 237	16 565	111 56	111 56	-	141 240

Notes

3 = sum of column 1 and 2

2 represents movements in original budget to get to final adjustment budget (including shifting of funds)

Virement must offset each other so the virement in Total Expenditure equals zero

6 = sum of column 1, 4 and 5

8 does not necessarily equal the difference between 3 and 6 because over spending is not the only reason for unauthorised expenditure

9 = 7 - 6

10 = (A7)100

11 = (A7)100

14 = 13 - 12

15 in expenditure equals Actual Outcome plus bank activity recovered

15 in revenue equals Actual Outcome less bank activity recovered

15 in Cash Flow equals Actual Outcome plus bank recovered

This schedule must be part of the financial statements of the municipality (all other schedules, A2 - A7, should form part of the annexures to the financial statements. These schedules do not detract from part of the audit opinion).

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Accounting Policies

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### 1. Basis of Preparation

The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practice (GRAP) prescribed by the Minister of Finance in terms of Section 91 of the Public Finance Management Act, 1999 (Act number 1 of 1999) including any interpretations, guidelines and directives issued by the Accounting Standards Board in terms of Section 89 where applicable.

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention unless specified otherwise. They are presented in South African Rand.

A Summary of all the significant accounting policies, which have been consistently applied, are disclosed below.

• GRAP 1	Presentation of financial statements
• GRAP 2	Cash flow statement
• GRAP 3	Accounting policies, changes in accounting estimates and errors
• GRAP 4	The Effects of Changes in Foreign Exchange Rates
• GRAP 5	Borrowing Cost
• GRAP 6	Consolidated and Separated Financial Statements
• GRAP 7	Investments in Associates
• GRAP 8	Investments in Joint Ventures
• GRAP 9	Revenue from Exchange Transactions
• GRAP 10	Financial Reporting in Hyperinflationary Economies
• GRAP 11	Construction Contracts
• GRAP 12	Inventories
• GRAP 13	Leases
• GRAP 14	Events After the Reporting Date
• GRAP 16	Investment Property
• GRAP 17	Property, Plant and Equipment
• GRAP 19	Provisions, Contingent Liabilities and Contingent Assets
• GRAP 21	Impairment of Non-cash-generating Assets
• GRAP 23	Revenue from Non-exchange Transactions
• GRAP 24	Presentation of Budget Information in Financial Statements
• GRAP 25	Employee Benefits
• GRAP 26	Impairment of Cash-generating assets
• GRAP 27	Agriculture
• GRAP 31	Intangible Assets
• GRAP 100	Non-Current Assets Held for Sale and Discontinued Operations
• GRAP 103	Heritage Assets
• GRAP 104	Financial Instruments

The accounting policies for transactions and events that are not specifically covered by the GRAP standards listed above have been developed in accordance with the requirements of paragraphs 7, 11 and 12 of GRAP 3 and the guidance as set out in Directive 5.

These accounting policies and the applicable disclosures have been based on the South African Statements of Generally Accepted Accounting Practices (SA GAAP) including any interpretations of such Statements issued by the Accounting Practice Board.

The standards are summarised as follows:

• IAS 19 (AC 116)	Employee benefits - Defined benefit accounting as far as it relates to defined benefit plans accounted for as defined contribution plans and the defined benefit obligation disclosed by narrative information. (IAS 19.29, 48 - 119 and 120A (c) - (q))
• IAS 32 (AC 125)	Financial Instruments: Presentation
• IAS 39 (AC 129)	Financial Instruments: Recognition and measurement - Initially measuring financial assets and liabilities at fair value. (IAS 39.43, AG 79, AG 64 - AG 65 and SAICA circular 9/06)

### 1.1 Presentation currency

These annual financial statements are presented in South African Rand which is the municipality's functional currency. All financial information has been rounded to the nearest Rand.

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Accounting Policies

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### 1.2 Going concern assumption

These annual financial statements are prepared on the going concern basis.

### 1.3 Property, plant and equipment

Items of Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Where an asset is acquired at no cost, or for a nominal cost, its cost is its fair value as at date of acquisition.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Subsequent expenditure relating to property, plant and equipment is capitalised if it is probable that future economic benefits or potential service delivery of the asset are enhanced in excess of the originally assessed standard of performance. If expenditure only restores the originally assessed standard of performance, it is regarded as repairs and maintenance and are expensed. The enhancement of an existing asset so that its use is expanded or the further development of an asset so that its original life is extended are examples of subsequent expenditure which should be capitalised.

The cost of an item of property, plant and equipment acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets was measured at fair value. If the acquired item could not be measured at its fair value, its cost is the measured at the carrying amount of the asset(s) given up.

#### Assets under construction

The cost of assets under construction includes all expenditure related directly to specific projects still in progress at period end.

Incomplete construction work is stated as historic cost.

Property, plant and equipment is carried at revalued amount, being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

Any increase in an asset's carrying amount, as a result of a revaluation, is credited directly to a revaluation surplus. The increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in surplus or deficit in the current period. The decrease is debited in revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

Depreciation is recognised in surplus or deficit, using the straight line method, over the estimated useful lives of the assets. Assessment of residual values are performed at acquisition date. Assets under construction are only depreciated once fully completed. The depreciation rates are based on the following:

ASSETS	ESTIMATED USEFUL LIFE
Land	0
Buildings	25 to 30
Other Structures (Infrastructure)	0 to 100
Investment property	0
Intangible Assets	5
Heritage	0
Other	2 to 22

#### Disposal and retirement of assets

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Accounting Policies

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### 1.3 Property, plant and equipment (continued)

Assets are written off on disposal or retirement or when no future economic benefits or service potential is expected from its continued use or disposal.

The difference between the net book value of assets (cost less accumulated depreciation and impairment losses) and the sales proceeds is reflected as a gain or loss in the surplus or deficit.

#### Borrowing costs

Borrowing costs are treated in accordance with the provisions of GRAP 5. In accordance with these provisions borrowing costs are interest and other costs incurred in connection with the borrowing of money. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset can be capitalised. Borrowing costs incurred other than on qualifying assets must be recognised as an expense in surplus or deficit when incurred. The amount of borrowing costs capitalised is limited to the actual borrowing costs incurred on the borrowing less any investment income on the temporary investment of those borrowings.

#### Residual value and useful lives

Residual value is the estimated amount that is obtained from the disposal of an asset, after deducting the estimated cost of disposal. Useful life is the period over which an asset is expected to be available for use. Residual values, useful lives and depreciation methods are reviewed annually in accordance with the provisions provided in GRAP 17. If the expectations differ from previous estimates the change is accounted for as a change in accounting estimate.

### 1.4 Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods and services or for administrative purposes. Investment property is measured at cost less accumulated depreciation and accumulated impairment losses.

Where investment property is acquired at no cost or for a nominal cost, its cost is its fair value as at the date of acquisition.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Depreciation is calculated using the depreciable amount, which is the cost of the asset less its residual value.

#### Cost model

The estimated useful lives for the current and comparative periods are as follows:

Item	Useful life
Property - beach development	25 to 30

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in surplus or deficit in the period of retirement or disposal.

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Accounting Policies

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### 1.5 Intangible assets

An intangible asset is defined as an identifiable non - monetary asset without physical substance held for use in the production or supply of goods or services, for rental to others, or for administrative purposes. Intangible assets are treated in accordance with the provisions of GRAP 31. In accordance with these provisions intangible assets are initially recorded at their cost price and are subsequently amortised over their expected useful lives. The intangible assets under the control of the Municipality, such as computer software (5 years), are amortised according to the straight line method.

After the initial measurement of intangible assets subsequent expenditure is only capitalised if future economic benefits or service potential over the total life of the intangible assets, in excess of the most recently assessed standard of performance of the existing intangible assets, will flow to the Municipality. Identifiable non-monetary assets without physical substance held for use in the production or supply of goods or services, for rental to others, or for administrative purposes are classified and recognised as intangible assets in accordance with the policies below.

Other intangible assets that are acquired by the municipality and have finite useful lives are initially recognised at cost and subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Where an intangible asset is acquired at no cost, or for a nominal cost, the cost is deemed to be its fair value as at the date of acquisition. Servitudes created through the exercise of legislation are not recognised as intangible assets and any costs incurred to register these servitudes are expensed. Servitudes, however, that are created through an agreement (contract) are recognised as intangible assets.

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortisation is recognised in surplus or deficit on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for the current and comparative periods are as follows:

Item	Useful life
Other intangible assets	5

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

The estimated useful life of an intangible asset in a service concession arrangement is the period from when the municipality is able to charge the public for the use of the infrastructure to the end of the concession period.

### 1.6 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

A concessionary loan is a loan granted to or received by an entity on terms that are not market related.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Derecognition is the removal of a previously recognised financial asset or financial liability from an municipality's statement of financial position.

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the 'underlying').
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.
- It is settled at a future date.

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Accounting Policies

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### 1.6 Financial Instruments (continued)

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

- cash;
- a residual interest of another entity; or
- a contractual right to:
  - receive cash or another financial asset from another entity; or
  - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

Loans payable are financial liabilities, other than short-term payables on normal credit terms.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

A residual interest is any contract that manifests an interest in the assets of an entity after deducting all of its liabilities. A residual interest includes contributions from owners, which may be shown as:

- equity instruments or similar forms of unitised capital;
- a formal designation of a transfer of resources (or a class of such transfers) by the parties to the transaction as forming part of an entity's net assets, either before the contribution occurs or at the time of the contribution; or
- a formal agreement, in relation to the contribution, establishing or increasing an existing financial interest in the net assets of an entity.

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Accounting Policies

### 1.6 Financial Instruments (continued)

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:

- the entity designates at fair value at initial recognition; or
- are held for trading.

Financial instruments at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

Financial instruments at fair value comprise financial assets or financial liabilities that are:

- derivatives;
- combined instruments that are designated at fair value;
- instruments held for trading. A financial instrument is held for trading if:
  - it is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or
  - on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit-taking;
  - non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; and
  - financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

#### Classification

The municipality has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Trade and other receivables	Financial asset measured at fair value
Cash and Cash equivalents	Financial asset measured at fair value

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Trade and other payables	Financial liability measured at fair value
Deferred Grants	Financial liability measured at fair value
Long term liabilities	Financial liability measured at amortised cost

**Trade and other payables** are initially measured at fair value plus transaction costs that are directly attributed to the acquisition and are subsequently measured at amortised cost using the effective interest rate method.

**Trade and other receivables** are initially recognised at fair value plus transaction cost that are directly attributable to the acquisition and subsequently stated at amortised cost, less provision for impairment. This provision is based on a review of all outstanding amounts at year end and is established when there is objective evidence that the municipality will not be able to collect all amounts due according to the original terms. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Bad debts are written off during the year in which they are identified. Subsequent recoveries of amounts previously written off are credited against the relevant revenue stream in the statement of financial performance.

**Long term financial Liabilities** are classified as financial liabilities that are measured at amortised cost.

Cash and cash equivalents includes cash on hand and cash with banks. Cash equivalents are short-term highly liquid investments that are held with registered banking institutions and are subject to an insignificant risk of change in value. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks and investments in financial instruments, net bank overdrafts. Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdraft are expensed as incurred.

## WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

### Accounting Policies

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#### 1.6 Financial instruments (continued)

##### Initial recognition

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

The entity recognises financial assets using trade date accounting.

##### Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

The entity measures a financial asset and financial liability initially at its fair value [if subsequently measured at fair value].

The entity first assesses whether the substance of a concessionary loan is in fact a loan. On initial recognition, the entity analyses a concessionary loan into its component parts and accounts for each component separately. The entity accounts for that part of a concessionary loan that is:

- a social benefit in accordance with the Framework for the Preparation and Presentation of Financial Statements, where it is the issuer of the loan; or
- non-exchange revenue, in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers), where it is the recipient of the loan.

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Accounting Policies

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### 1.6 Financial instruments (continued)

#### Subsequent measurement of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at fair value.
- Financial instruments at amortised cost.
- Financial instruments at cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

#### Fair value measurement considerations

The best evidence of fair value is quoted prices in an active market. If the market for a financial instrument is not active, the entity establishes fair value by using a valuation technique. The objective of using a valuation technique is to establish what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal operating considerations. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. If there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, the entity uses that technique. The chosen valuation technique makes maximum use of market inputs and relies as little as possible on entity-specific inputs. It incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments. Periodically, an entity calibrates the valuation technique and tests it for validity using prices from any observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on any available observable market data.

The fair value of a financial liability with a demand feature (e.g. a demand deposit) is not less than the amount payable on demand, discounted from the first date that the amount could be required to be paid.

#### Impairment and uncollectibility of financial assets

The entity assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at amortised cost:

The entity first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant and individually or collectively for financial assets that are not individually significant. If the entity determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assessed them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in the collective assessment of impairment. If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced directly OR through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed directly OR by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

Financial assets measured at cost:

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Accounting Policies

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### 1.6 Financial Instruments (continued)

#### Derecognition

##### Financial assets

The entity derecognises financial assets using trade date accounting.

The entity derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
  - derecognise the asset; and
  - recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of the transferred asset are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations are measured at their fair values at that date. Any difference between the consideration received and the amounts recognised and derecognised is recognised in surplus or deficit in the period of the transfer.

If the entity transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it recognise either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the entity adequately for performing the servicing, a servicing liability for the servicing obligation is recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset is recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

If, as a result of a transfer, a financial asset is derecognised in its entirety but the transfer results in the entity obtaining a new financial asset or assuming a new financial liability, or a servicing liability, the entity recognise the new financial asset, financial liability or servicing liability at fair value.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

If the transferred asset is part of a larger financial asset and the part transferred qualifies for derecognition in its entirety, the previous carrying amount of the larger financial asset is allocated between the part that continues to be recognised and the part that is derecognised, based on the relative fair values of those parts, on the date of the transfer. For this purpose, a retained servicing asset is treated as a part that continues to be recognised. The difference between the carrying amount allocated to the part derecognised and the sum of the consideration received for the part derecognised is recognised in surplus or deficit.

If a transfer does not result in derecognition because the entity has retained substantially all the risks and rewards of ownership of the transferred asset, the entity continue to recognise the transferred asset in its entirety and recognise a financial liability for the consideration received. In subsequent periods, the entity recognises any revenue on the transferred asset and any expense incurred on the financial liability. Neither the asset, and the associated liability nor the revenue, and the associated expenses are offset.

#### Financial liabilities

The entity removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another entity by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Accounting Policies

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### 1.7 Inventories

#### Cost

The cost of inventories comprises all costs of purchase, cost of conversion and other cost incurred in bringing the inventory to its present location and condition. Where inventories are acquired at no cost, or for nominal consideration, the cost is deemed to be the fair value as at the date of acquisition. Cost is generally determined using the weighted - average principle except where stated otherwise.

The cost of agricultural produce harvested from biological assets is initially measured at fair value less estimated point of sale costs.

#### Subsequently measurements

Consumable stores, raw materials, work-in-progress and finished goods are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Inventories are measured at the lower of cost and current replacement cost where they are held for: distribution at no charge or for a nominal charge; or consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Current replacement cost is the cost the economic entity incurs to acquire the asset on the reporting date.

The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

#### Water inventory

Water inventory represents water housed in dams within the municipal area and is measured at the lower of cost, which is deemed to be fair value, and net realisable value. In the absence of a market that trades in water outside of local government, the fair value utilised to quantify water inventory is based on the unit reference value. The unit reference value is a determined by a formula that is utilised in the engineering department to calculate the development cost of new water resources.

The water levels in the dams are based on cubic meter capacity taking into account the capacity of the dam, based on land surveying reports and the curve of the dam.

Readings of water levels are taken at year-end, which is quantified at the above fair value.

Water and purified effluent are measured at the lowest of purified cost and net realisable value insofar as it is stored and controlled in reservoirs at year-end.

### 1.8 Unutilised conditional grants

Revenue from conditional grants is recognised when it is probable that the economic benefits or service potential will flow to the municipality, the amount of the revenue can be measured reliably and to the extent that there has been compliance with any restrictions associated with the grant.

- Interest earned on the investment is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the creditor. If it is the Municipality's interest it is recognised as interest earned in the Statement of Financial Performance.

Unutilised conditional grants are reflected on the Statement of Financial Position as a creditor – Unspent Conditional Grants. They represent unspent government grants, subsidies and contributions from the public. This creditor always has to be backed by cash. The following provisions are set for the creation and utilisation of this creditor:

- The cash which backs up the creditor is invested until it is utilised.
- Whenever an asset is purchased out of the unutilised conditional grant an amount equal to the cost price of the asset purchased is transferred from the Unutilised Conditional Grant into the statement of financial performance as revenue.

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Accounting Policies

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### 1.9 Value added tax

The municipality accounts for Value Added Tax on the cash basis. The Municipality is liable to account for Value Added Tax at the standard rate (14%) in terms of section 7 (1) (a) of the VAT Act, in respect of the supply of goods or services except where the supplies are specifically zero-rated in terms of section 11, exempted in terms of section 12 of the VAT Act or out of scope for VAT purposes. The timing of payments to / from the South African Revenue Service is the last day of each of the twelve months of the financial year.

### 1.10 Revenue recognition

#### Revenue

Revenue from exchange transactions includes revenue from trading activities and other services provided while revenue from non-exchange transactions includes rates levied, fines, donations and grants from other spheres of government.

#### Revenue from exchange transactions

Revenue is generally recognised when it is probable that future economic benefits or service potential will flow to the municipality and these benefits or service potential can be measured reliably, except when specifically stated otherwise. Revenue from the rendering of services is recognised in surplus or deficit in proportion to the stage of completion of the transaction at the reporting date.

Revenue is measured at the fair value of the consideration received or receivable, net of value added tax, estimated returns, rebates and discounts.

#### Service charges

Service charges relating to distribution of electricity and water are based on consumption. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumption, based on the consumption history, are made on a monthly basis when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced, except at year-end when estimates of consumption up to year-end are recorded as revenue without it being invoiced. In respect of estimates of consumption between the last reading date and the reporting date, an accrual is raised based on the average monthly consumption. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters are read. These adjustments are recognised as revenue in the invoicing period.

Service charges relating to refuse removal are recognised on a monthly basis by applying the approved tariff to each property receiving services. Tariffs are determined per category of property and are levied monthly based on the number of refuse containers on each property, regardless of whether or not all containers are emptied during the month.

Service charges from sewerage and sanitation services are based on the type of service and the number of sewer connections on all developed property, using the tariffs approved by Council. Revenue is recognised on a monthly basis.

#### Services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

#### Pre-paid electricity

Revenue is recognised at the point-of-sale. Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

#### Interest, royalties and dividends

#### Interest earned and rentals received

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Accounting Policies

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### 1.10 Revenue recognition (continued)

Interest is recognised, in surplus or deficit as it accrues, using the effective interest method.

Rental income from operating leases is recognised on a straight line basis over the lease term.

Other

Tariff charges

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant authorised tariff. This includes the issuing of licences and permits.

Agency commission

Commission for agency services is recognised when a actual expense incur. This is due to a change in the policy by the agent..

Revenue from non-exchange transactions

Revenue from non-exchange transactions is recognised when it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, the amount of the revenue can be measured reliably and, if applicable, there has been compliance with the relevant legal requirements or restrictions.

Rates and taxes

Revenue from rates, including collection charges and penalty interest, is recognised on a monthly basis when the taxes are levied as this is regarded to be the date when it is probable that the economic benefits or service potential will flow to the municipality, the amount of the revenue can be measured reliably and there has been compliance with the relevant legal requirements.

Donations and contributions

Revenue from donations is recognised when it is probable that the economic benefits or service potential will flow to the municipality, the amount of the revenue can be measured reliably and any restrictions associated with the donation have been met.

Revenue from recovery of unauthorised, irregular, fruitless and wasteful expenditure

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No.56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

Unconditional grants and receipts

Revenue from unconditional grants is recognised when it is probable that the economic benefits or service potential will flow to the municipality the amount of the revenue can be measured reliably. Since these grants are unconditional and there are no attached stipulations, the grants are recognised as revenue or, if the recognition criteria had been met, as assets in the reporting period in which they are received or receivable.

Conditional grants and receipts

Revenue from conditional grants is recognised when it is probable that the economic benefits or service potential will flow to the municipality the amount of the revenue can be measured reliably and to the extent that there has been compliance with any restrictions associated with the grant.

Interest earned is recognised as interest earned in the statement of financial performance.

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the municipality satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Accounting Policies

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### 1.10 Revenue recognition (continued)

#### Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the municipality.

When, as a result of a non-exchange transaction, the municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability.

Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

#### Taxes

The municipality recognises an asset in respect of taxes when the taxable event occurs and the asset recognition criteria are met.

Resources arising from taxes satisfy the definition of an asset when the municipality controls the resources as a result of a past event (the taxable event) and expects to receive future economic benefits or service potential from those resources. Resources arising from taxes satisfy the criteria for recognition as an asset when it is probable that the inflow of resources will occur and their fair value can be reliably measured. The degree of probability attached to the inflow of resources is determined on the basis of evidence available at the time of initial recognition, which includes, but is not limited to, disclosure of the taxable event by the taxpayer.

The taxable event for property tax is the passing of the date on which the tax is levied or, if the tax is levied on a periodic basis, the period for which the tax is levied.

#### Transfers

Apart from services in kind, which are not recognised, the municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

#### Gifts and donations, including goods in-kind

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

#### Services in-kind

Services in-kind are recognised as revenue and as assets. Revenue from unconditional grants is recognised when it is probable that the economic benefits or service potential will flow to the municipality the amount of the revenue can be measured reliably. Since these grants are unconditional and there are no attached stipulations, the grants are recognised as revenue or, if the recognition criteria had been met, as assets in the reporting period in which they are received or receivable.

### 1.11 Provisions

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

#### Site restoration

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Accounting Policies

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### 1.11 Provisions (continued)

In accordance with applicable legal requirements, a provision for site restoration in respect of landfill sites is recognised when the land is contaminated. The related expense is capitalised against the cost of the landfill sites.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

- changes in the liability alter the revaluation surplus or deficit previously recognised on that asset, so that:
  - a decrease in the liability is credited directly to revaluation surplus in net assets, except that it is recognised in surplus or deficit to the extent that it reverses a revaluation deficit on the asset that was previously recognised in surplus or deficit; and
  - an increase in the liability is recognised in surplus or deficit, except that it is debited directly to revaluation surplus in net assets to the extent of any credit balance existing in the revaluation surplus in respect of that asset;

### 1.12 Employee benefits

#### Short-term employee benefits

The cost of all short-term employee benefits are recognised during the period in which the employee renders the related service.

The provisions for employee entitlements to salaries, performance bonuses and annual leave represents the amounts which the Municipality has a present obligation to pay as a result of employees' services provided to the balance sheet date. The provisions have been calculated at undiscounted amounts based on current salary levels at the reporting date.

#### Pension / Retirement Fund

The municipality and its employees contribute to various Pension and Retirement Funds and its councillors contribute to the Pension Fund for Municipal Councillors. These funds provide retirement benefits to such employees and councillors.

The retirement benefits are calculated in accordance with the rules of the funds. Full actuarial valuations are performed on a regular basis.

Current contributions are charged against the operating account of the municipality at a percentage of the pensionable remuneration paid to employees or councillors.

#### Defined benefit plans - Medical Aid: Continued Members

The municipality provides certain post retirement medical benefits by funding the medical aid contributions of certain retired members. According to the rules of the medical aid funds, with which municipality is associated, a member (who is on the current condition of service), on retirement, is entitled to remain a continued member of such medical aid fund, in which case the member is liable for 30% or 40% of the medical aid membership fee, and the municipality for the remaining 70% or 60%. The municipality adopted a policy whereby the age of staff appointed under the new conditions of service would determine their portion of contribution to the medical aid on retirement.

An Actuarial valuation was performed and a liability was determined as a result of the actuarial valuation. The actuarial valuation will be revised on an annual basis.

The actuarial valuation was calculated based on the following assumptions:

Discount rate of 7.25%, Health care cost inflation rate 6.75% and a net effective discount of 0.47%.

The Council's obligation to provide post-retirement medical aid benefits are defined benefit obligations. The obligation is calculated by estimating the amounts of the future benefit that qualifying employees have earned in return for their service in the current and prior periods. This benefit is discounted to determine its present value, using a discount rate based on market yields, at the balance sheet date, on high quality bonds with maturity dates that most closely match the terms of maturity of the municipality's obligation. The calculation is performed by a qualified actuary using the projected unit credit method. The portion of benefits relating to past service by employees is recognised as an expense on a straight-line basis over the average vesting period. To the extent that the benefits are already vested, past service costs are recognised immediately.

The municipality recognises actuarial gains or losses from defined benefit plans immediately in profit or loss.

Past service costs are recognised as an expense on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested past service costs are recognised immediately.

The amount recognised is the excess determined above divided by the expected average remaining working lives of the employees participating in the that plan.

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Accounting Policies

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### 1.12 Employee benefits (continued)

#### Accrued Leave Pay

Liabilities for annual leave are recognised as they accrue to employees. Accrual is based on the total amount of leave days due to employees at year end and also on the total remuneration package of the employee.

#### Provision for Performance Bonuses

The Municipality makes provision for bonuses payable owing to officials in terms of performance agreements.

#### Provision for Bonus

The Municipality makes provision for bonuses payable in November of each financial period to all permanent employees.

### 1.13 Unauthorised expenditure

Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No.56 of 2003). Unauthorised expenditure is accounted for as an expense in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

### 1.14 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the Municipality's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance. If the expenditure is not condoned by the relevant authority, it is treated as a receivable until it is recovered or written off as irrecoverable.

### 1.15 Fruitless and wasteful expenditure

In terms of the MFMA, fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

### 1.16 Leases

#### Operating leases - municipality as lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis.

#### Operating leases - municipality as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

### 1.17 Critical accounting estimates and judgements

Impairment of trade and other receivables

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Accounting Policies

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### 1.17 Critical accounting estimates and judgements (continued)

The impairment of the municipality's trade and other receivables is based on incurred losses in accordance with the requirements of IAS 39. The historical loss experience of the economic entity, based on observable data through the passage of time, is used to estimate the impairment of trade and other receivables. Any changes in the payment status of customers in a specific group or national or local economic conditions that correlate with defaults on the assets in the group will have an impact on the impairment of trade and other receivables.

#### Provisions

The provisions raised by the municipality are detailed in note 2. These provisions represent management's best estimate of the municipality's exposure. The probability that an outflow of economic resources will be required to settle the obligation must be assessed and a reliable estimate must be made of the amount of the obligation. Actual results may, however, differ from these estimates.

#### Allowance for slow moving, damaged and obsolete stock

Management has made estimates of the selling price and direct cost to sell of certain inventory items to calculate the allowance to write stock down to the lower of cost or net realisable value. The write down is zero.

#### Post retirement benefits

The present value of the post retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions, which include the discount rate. Any changes in these assumptions will impact on the carrying amount of post retirement obligations.

#### Depreciation and the carrying value of items of property, plant and equipment

The estimation of the useful lives of assets is based on management's judgement. Any material adjustment to the estimated remaining useful lives of items of property, plant and equipment will have an impact on the carrying value of these items.

#### Determination of the recoverable amount of cash-generating assets

Where impairment indicators exist, the determination of the recoverable amount of assets or cash generating units require management to make assumptions to determine the fair value less costs to sell. Key assumptions on which management has based its determination of fair values less costs to sell include projected revenues, earnings multiple, capital expenditure and market share. The judgements, assumptions and methodologies used can have a material impact on the fair value and ultimately the amount of the impairment.

#### Determination of the recoverable service amount of non-cash generating assets

Where impairment indicators exist, the determination of the recoverable service amount of a non-cash generating asset requires management to make assumptions to determine the fair value less costs to sell and the value in use based on the depreciated replacement cost model. Key assumptions include the current replacement cost of non-cash generating assets and in certain instances an assumption about the commissioning date which determines the depreciated replacement cost of the non-cash generating asset.

#### Provision for impairment of receivables

An estimate for the impairment of receivables is made when collection of the full amount is no longer probable. The provision for doubtful debt shall be calculated on trade receivables only, i.e. service debtors, levy debtors and housing rentals. The total impairment provision of the municipality shall be calculated per risk category.

### 1.18 Comparative figures and prior period errors

#### Comparative figures

Comparative figures have been restated to disclose the effect of the changes in accounting policies.

#### Prior period errors

Prior period errors have been corrected in terms of GRAP 3, Accounting policies changes in accounting estimates and errors, in the period in which they occurred, or the earliest period reported.

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Accounting Policies

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### 1.19 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset until such time as the asset is ready for its intended use. The amount of borrowing costs eligible for capitalisation is determined as follows:

- Actual borrowing costs on funds specifically borrowed for the purpose of obtaining a qualifying asset less any investment income on the temporary investment of those borrowings.
- Weighted average of the borrowing costs applicable to the municipality on funds generally borrowed for the purpose of obtaining a qualifying asset. The borrowing costs capitalised do not exceed the total borrowing costs incurred.

Borrowing costs are capitalised in respect of qualifying assets that necessarily take a substantial period to get ready for their intended use. .

If the carrying amount of the qualifying asset exceeds its recoverable amount or recoverable service amount, an impairment loss is recognised for the excess amount.

Borrowing costs that are not capitalised are recognised as an expense in surplus or deficit.

### 1.20 Impairment of cash-generating assets

Cash-generating assets are those assets held by the municipality with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets held with the primary objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

Useful life is either:

- (a) the period of time over which an asset is expected to be used by the municipality; or
- (b) the number of production or similar units expected to be obtained from the asset by the municipality.

### 1.21 Impairment of non-cash-generating assets

Cash-generating assets are those assets held by the municipality with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return.

Non-cash-generating assets are assets other than cash-generating assets.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Accounting Policies

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### 1.21 Impairment of non-cash-generating assets (continued)

A cash-generating unit is the smallest identifiable group of assets held with the primary objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Useful life is either:

- (a) the period of time over which an asset is expected to be used by the municipality; or
- (b) the number of production or similar units expected to be obtained from the asset by the municipality.

### 1.22 Budget information

Municipalities are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by municipalities shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The annual financial statements and the budget are not on the same basis of accounting therefore a reconciliation between the statement of financial performance and the budget have been included in the annual financial statements. Refer to note 45 and the Statement of Comparison of Budget and Actual Information.

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Notes to the Annual Financial Statements

### 2. New standards and interpretations

#### 2.1 Standards and interpretations issued, but not yet effective

The following standards expected to be applicable to the municipality have been issued, but are not yet effective:

The GRAP standards below will be applied by the municipality from the effective date determined by the Minister of Finance. The effective dates are currently unknown. International Financial Reporting Standards will be applied from the effective date of the Standard as indicated below.

• GRAP 105	Transfers of Functions Between Entities Under Common Control
• GRAP 106	Transfers of Functions Between Entities Not Under Common Control
• GRAP 107	Mergers
• GRAP 18	Segment Reporting
• GRAP 20	Related Party Disclosures

### 3. Long term liabilities

Local Registered Stock Loans	111,671,469	91,090,484
Less : Current portion transferred to current liabilities	(10,915,703)	(7,944,149)
<b>Total External Loans</b>	<b>100,755,766</b>	<b>83,146,335</b>

The Municipality has an unsecured external loan at the Development Bank of South Africa at a fixed rate of 8.60500%. The redeemable date of the loan is 31 October 2022. The loan is redeemed on a half-yearly basis. The amount borrowed in terms of the loan was to provide finance for capital projects within the Water Provisions Department.

The Municipality has an unsecured external loan at Sanlam. The redeemable date for the loan is 29 June 2018. The loan is redeemed on a half-yearly basis as at 31 December and 30 June of each financial year. The amount borrowed in terms of the loan was to provide finance for capital projects within the Water Provisions Department. The loan is at a fixed rate of 12.54%

The Municipality has an unsecured external loan at The Development Bank of South Africa at a fixed rate of 11.73%. The redeemable date for the loan is 30 June 2020. The loan is redeemed on a half-yearly basis as at 31 December and 30 June of each financial year. The amount borrowed in terms of the loan was to provide finance for capital projects within the Water Provisions Department.

The Municipality has an unsecured external loan at ABSA at a fixed rate of 11.73%. The redeemable date for the loan is 31 January 2021. The loan is redeemed on a half-yearly basis as at 31 January and 31 July of each financial year. The amount borrowed in terms of the loan was to provide finance for capital projects within the Water Provisions Department. Refer to Appendix A for more detail on long - term liabilities

### 4. Provisions

#### Reconciliation of provisions - 2013

	Opening Balance	Additions	Utilised during the year	Total
Employee benefits accrual (Performance Bonus - Refer to note 6 for reconciliation)	215,004	169,801	(172,002)	212,803
Employee benefits accrual (Bonus - Refer to note 6 for reconciliation)	176,483	2,738,222	-	2,914,705
	<b>391,487</b>	<b>2,908,023</b>	<b>(172,002)</b>	<b>3,127,508</b>

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Notes to the Annual Financial Statements

	2013	2012
Figures in Rand		
<b>5. Employee benefits</b>		
Defined benefit plan		
<b>Change in Liability</b>		
Opening balance	56,176,139	49,009,950
Service Cost	1,646,000	1,284,505
Interest Cost	4,537,772	4,104,431
Recognised actuarial gains	10,953,000	3,639,677
Benefits Paid	(1,991,000)	(1,862,424)
<b>Closing balance</b>	<b>71,321,911</b>	<b>56,176,139</b>
<b>Unrecognised actuarial gains/(losses)</b>		
Corridor Maximum	10,953,000	3,639,677
New gains / (losses)	(10,953,000)	(3,639,677)
<b>Statement of Financial Position</b>		
Projected Benefit Obligation	56,176,139	49,009,950
Plan Assets	-	-
Net Obligation/(Asset)	15,145,772	7,166,189
Unrecognised past service cost	-	-
Unrecognised transitional obligation	-	-
<b>Net Obligation/(Asset) in Statement of Financial Position</b>	<b>71,321,911</b>	<b>56,176,139</b>
<b>Net expense recognised in the statement of financial performance</b>		
Service cost	1,646,000	1,284,505
Interest cost	4,537,772	4,104,431
Recognised actuarial losses/(gains)	10,953,000	3,639,677
Past recognised actuarial gains / (losses)	-	(1,262,469)
<b>Total included in employee related costs</b>	<b>17,136,772</b>	<b>7,766,144</b>
<b>Carrying value</b>		
Opening value	56,176,139	50,272,419
Employer contribution	(1,991,000)	(1,862,424)
Amount recognised in Statement of Financial Performance	17,136,772	7,766,144
<b>Closing value</b>	<b>71,321,911</b>	<b>56,176,139</b>
<b>Key assumptions used</b>		
Discount rates used	7.25 %	8.08 %
Medical inflation rate	6.75 %	6.89 %

It is the relative levels of the discount rate and health care cost inflation to one another that are important, rather than nominal values. The assumption regarding the relative levels of these two rates is the expectation of the long-term average. The rate to be used can be determined by reference to market yields at balance sheet date on high quality corporate bonds. In countries where there is no deep market in such bonds, the market yields on government bonds should be used. The currency and term of the corporate bonds or government bonds should be consistent with the currency and estimated term of the post-employment benefit obligation. As such a discount rate of 7.25 per annum has been used. This was derived from the yield curve, without a tax adjustment, obtained from the Bond Exchange of South Africa after the market closed on 15 May 2013.

The health care cost inflation was taken at a discount of 0.5% to the discount rate of 7.25%. It was used because of the drastic drop in the long yields. This was done in an effort to keep the health care cost inflation above the consumer price inflation, as has been the experience in South Africa since 1999.

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Notes to the Annual Financial Statements

Figures in Rand

2013 2012

### 5. Employee benefits (continued)

The basis used to determine post-retirement mortality is as follows: The PA90 tables was adjusted by 2 instead of 1 (enhancing longevity) and a proportion married curve was used instead of a static 80% married at retirement. A different withdrawal curve was also used.

The consumer price inflation of 6.25% per annum is obtained from the differential between the long term market yields on the index-linked bond (the R197 at 0.54% per annum) consistent with the estimated term of the liability and those of nominal bond (the R186 at 6.92% per annum).

The basis used to determine normal retirement age is as follows: The assumption was made that males will retire at age 60 and females at 55. It is possible for employees to take early retirement from age 50, and still qualify for the subsidy.

The pre-retirement mortality table of SA85-90 and post-retirement table of PA(90) was used, however in the latter table the post retirement mortality was rated down by 2 years.

The withdrawal rate was changed to 2% from ages 20 years to 55 years. Tables for withdrawal rates as well as ill-health and other early retirement rates was used. The continuation of the post-employment health care subsidy would be at 100% of active employees, or their surviving dependants.

A net replacement ratio on retirement of 75% was used. A salary inflation assumption is used to adjust the salary from the current date to the date of retirement.

### Sensitivity Analysis

The valuation results are sensitive to changes in the underlying assumptions. The valuation basis assumes that the health care cost inflation rate (which manifests itself as the annual increase to the total contribution subsidised by the employer) will be 0.47% less than the corresponding discount rate, in the long term. The effect of a one percent increase and decrease in the health care cost inflation rate is as follows:

	One percentage point increase	One percentage point decrease
Effect on the aggregate of the service cost	4,683,000	3,107,000
Effect on defined benefit obligation	83,096,000	62,389,000
Effect on the aggregate of the interest cost	4,941,000	4,441,000

### 6. Employee benefits accrual

Performance bonus	212,803	215,004
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Performance bonuses accrue to employees on a yearly basis, subject to certain conditions. The provision is 5% of the actual salary package of the employees.

Reconciliation of provisions	215,004	248,448
Balance at beginning of year	-	-
Transfers	169,801	169,237
Contributions to provision	-	-
Interest on Investments	(172,002)	(202,681)
Expenditure incurred		
<b>Balance at end of year</b>	<b>212,803</b>	<b>215,004</b>

Heading	2,914,705	176,483
Bonus		

Bonuses are paid to all municipal staff, excluding section 57 managers. Bonuses are payable in November of each financial period.

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Notes to the Annual Financial Statements

Figures in Rand

2013 2012

### 6. Employee benefits accrual (continued)

Reconciliation of provision	176,483	115,619
Balance at beginning of year	2,738,222	2,493,182
Contributions to provisions	-	(2,432,318)
Expenditure incurred		
	<b>2,914,705</b>	<b>176,483</b>

### 7. Trade payables from exchange transactions

Trade payables	5,870,031	7,061,056
Payments received in advanced - contract in process	164,016	24,409
Accrued leave pay	6,242,422	3,779,139
Retentions	4,705,315	3,189,784
Sundry creditors	8,685,090	6,712,823
Deferred operating lease payments	6,299,382	4,809,860
<b>Trade creditors</b>	<b>31,966,256</b>	<b>25,577,071</b>

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Notes to the Annual Financial Statements

Figures in Rand	2013	2012
<b>8. Government grants and subsidies</b>		
RBIG Funds	6,420,684	4,057,808
DMA Electricity	-	2,157,567
Prov Management Support Grant	260,523	167,643
RSC Levy Replacement Grant (Equitable Share)	61,074,000	59,294,000
Equitable Share	8,926,000	9,163,320
MSIG	1,000,000	790,000
Finance Management Grant	1,250,000	1,579,360
WCMD Economic Development (Cederberg Gateway)	-	-
Drought Relief Programme	-	15,705
Training of Housing Officials	-	8,565
DMA Multi Purpose Centre	-	-
Rural Area Water	-	-
Asset Management Bulk Water	47,141	75,068
Knersvlakte Biosphere	-	148,058
ACIP Grant	850,000	-
EPWP Grant	1,063,000	-
Committee Summit	-	-
Ignite Assist	45,548	423,018
Thuson Centre	-	98,277
Cederberg Biosphere	-	27,931
Donations Mayor	46,431	30,599
Other Government Grants and Subsidies	1,078,430	-
	<b>82,061,757</b>	<b>78,036,919</b>

### 8.1) RBIG Funds

Balance unspent at the beginning of the year	462,292	-
Current year receipts	6,803,707	4,520,100
Current year interest	-	-
Conditions met - transferred to revenue	(6,420,684)	(4,057,808)
<b>Conditions still to be met - transferred to liabilities</b>	<b>845,315</b>	<b>462,292</b>

**WEST COAST DISTRICT MUNICIPALITY**

Annual Financial Statements for the year ended 30 June 2013

**Notes to the Annual Financial Statements**

Figures in Rand

2013 2012

**8. Government grants and subsidies (continued)****8.2) DMA Electricity**

Balance unspent at the beginning of the year	-	101,353
Current year receipts	-	2,056,213
Current year interest	-	-
Conditions met - transferred to revenue	-	(2,157,567)
<b>Conditions still to be met - transferred to liabilities</b>	<b>-</b>	<b>(1)</b>

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Notes to the Annual Financial Statements

	2013	2012
Figures in Rand		
<b>8. Government grants and subsidies (continued)</b>		
<b>8.3) MSIG</b>		
Balance unspent at the beginning of the year	-	-
Current year receipts	1,000,000	790,000
Current year interest	-	-
Conditions met - transferred to revenue	(1,000,000)	(790,000)
<b>Conditions still to be met - transferred to liabilities</b>	-	-
<b>8.4) Finance Management Grant</b>		
Balance unspent at the beginning of the year	-	329,360
Current year receipts	1,250,000	1,250,000
Current year interest	-	-
Conditions met - transferred to revenue	(1,250,000)	(1,579,360)
<b>Conditions still to be met - transferred to liabilities</b>	-	-
<b>8.5) Drought Relief Programme</b>		
Balance unspent at beginning of year	-	15,705
Current-year receipts	-	-
Conditions met - transferred to revenue	-	(15,705)
Other	-	-
<b>Conditions still to be met - transferred to liabilities</b>	-	-
<b>8.6) Training of Housing Officials</b>		
Balance unspent at beginning of year	-	8,565
Current-year receipts	-	-
Conditions met - transferred to revenue	-	(8,565)
Other	-	-
<b>Conditions still to be met - transferred to liabilities</b>	-	-
<b>8.7) Cederberg Biosphere</b>		
Balance unspent at beginning of year	-	27,931
Current-year receipts	-	-
Conditions met - transferred to revenue	-	(27,931)
Other	-	-
<b>Conditions still to be met - transferred to liabilities</b>	-	-
<b>8.8) Knarsvlakte Biosphere</b>		
Balance unspent at beginning of year	-	148,058
Current-year receipts	-	-
Conditions met - transferred to revenue	-	(148,058)
Other	-	-
<b>Conditions still to be met - transferred to liabilities</b>	-	-
<b>8.9) Thusong Centre</b>		
Balance unspent at beginning of year	-	98,277
Current-year receipts	-	-
Conditions met - transferred to revenue	-	(98,277)
Other	-	-
<b>Conditions still to be met - transferred to liabilities</b>	-	-

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Notes to the Annual Financial Statements

Figures in Rand

	2013	2012
<b>8. Government grants and subsidies (continued)</b>		
<b>8.10) Provincial Management Support Grant</b>		
Balance unspent at beginning of year	832,357	1,000,000
Current-year receipts	300,000	-
Conditions met - transferred to revenue	(260,523)	(167,643)
<b>Conditions still to be met - transferred to liabilities</b>	<b>871,834</b>	<b>832,357</b>
<b>8.11) Donations Mayor</b>		
Balance unspent at beginning of year	20,401	-
Current-year receipts	34,150	51,000
Conditions met - transferred to revenue	(46,431)	(30,599)
Other	-	-
<b>Conditions still to be met - transferred to liabilities</b>	<b>8,120</b>	<b>20,401</b>
<b>8.12) Ignite Assist</b>		
Balance unspent at beginning of year	45,548	468,566
Current-year receipts	-	-
Conditions met - transferred to revenue	(45,548)	(423,018)
Other	-	-
<b>Conditions still to be met - transferred to liabilities</b>	<b>-</b>	<b>45,548</b>
<b>8.13) Asset Management Bulk Water</b>		
Balance unspent at beginning of year	47,141	122,209
Current-year receipts	-	-
Conditions met - transferred to revenue	(47,141)	(75,068)
Other	-	-
<b>Conditions still to be met - transferred to liabilities</b>	<b>-</b>	<b>47,141</b>
<b>8.14) ACIP Grant</b>		
Balance unspent at beginning of year	-	-
Current-year receipts	850,000	-
Conditions met-transferred to revenue	(850,000)	-
Other	-	-
<b>Conditions still to be met - transferred to liabilities</b>	<b>-</b>	<b>-</b>
<b>8.15) EPWP Grant</b>		
Balance unspent at beginning of year	-	-
Current-year receipts	1,063,000	-
Conditions met-transferred to revenue	(1,063,000)	-
Other	-	-
<b>Conditions still to be met - transferred to liabilities</b>	<b>-</b>	<b>-</b>

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Notes to the Annual Financial Statements

Figures in Rand

2013

2012

### 8. Government grants and subsidies (continued)

#### Summary of Government Grants and Subsidies

PAWC and State Funds: Various Projects (See note 45)	1,717,150	1,387,338
Other balances not included in Developers or Public Contributions	1,717,150	1,387,338
	-	-
Public Contributions (See note 45)	8,120	20,401
Donations Mayor	8,120	20,401
	-	-
	<b>1,725,270</b>	<b>1,407,739</b>

### 9. Property, plant and equipment

	2013			2012		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	15,116,218	-	15,116,218	15,241,364	-	15,241,364
Buildings	56,318,518	(15,011,237)	41,307,281	59,403,483	(13,660,628)	45,742,855
Infrastructure	316,875,005	(55,020,208)	261,854,797	279,570,685	(48,834,912)	230,735,773
Other	54,048,771	(35,786,742)	18,262,029	53,923,239	(33,840,106)	20,083,133
<b>Total</b>	<b>442,358,512</b>	<b>(105,818,187)</b>	<b>336,540,325</b>	<b>408,138,771</b>	<b>(96,335,646)</b>	<b>311,803,125</b>

#### Borrowing costs capitalised

Other Structures Infrastructure (Pipeline)	1,226,792	-
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Please refer to the detailed schedule B of Property, Plant and Equipment.

### 10. Investment property

	2013			2012		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Ganzekraal beach development	5,508,050	(696,076)	4,811,974	5,474,271	(543,110)	4,931,161
Fair value of investment properties					-	8,881,850

The municipality owns a beach development (Ganzekraal). The property is 2332.6578 hectares and the municipality receives rental income (camping fees).

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Notes to the Annual Financial Statements

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### 11. Intangible assets

	2013			2012		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Intangible assets	1,183,340	(863,284)	320,056	1,164,606	(719,151)	445,455

### Other information

The municipality acquired intangible assets with finite useful lives of five years. The straight-line method of amortisation will be used to allocate the depreciable amount of an asset on a systematic basis over its useful life.

### 12. Inventories

Consumable stores - at cost	894,025	750,602
Water - at cost	778,238	674,925
<b>1,672,263</b>		
<b>1,425,527</b>		

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Notes to the Annual Financial Statements

Figures in Rand	2013	2012
<b>13. Trade receivables from exchange transactions</b>		
<b>Gross balances</b>		
Electricity	33,944	30,088
Water	7,764,007	6,629,623
Sewerage	7,160	6,181
Other	3,010	-
Housing rental	131,353	108,555
	<b>7,939,474</b>	<b>6,774,447</b>
<b>Provision for debt impairment</b>		
Provision for bad debts	(428,221)	(150,063)
<b>Net balance</b>		
Electricity	33,944	30,088
Water	7,764,007	6,629,623
Sewerage	7,160	6,181
Other	3,010	-
Housing rental	131,353	108,555
Provision for bad debts	(428,221)	(150,063)
<b>Net balance</b>	<b>7,511,253</b>	<b>6,624,384</b>
<b>Service debtors</b>		
Current (0 -30 days)	7,490,084	6,352,722
31 - 60 days	231,050	207,682
61 - 90 days	52,740	59,805
91 - 120 days	19,249	16,080
121 - 365 days	14,998	29,603
	<b>7,808,121</b>	<b>6,665,892</b>
<b>Housing Rental</b>		
Current (0 -30 days)	80,429	68,698
31 - 60 days	36,345	18,505
61 - 90 days	8,763	8,437
91 - 120 days	4,197	4,228
121 - 365 days	1,619	8,687
	<b>131,353</b>	<b>108,555</b>
<b>Summary of debtors by customer classification</b>		
<b>Consumers</b>		
Current (0 -30 days)	7,570,513	6,421,421
31 - 60 days	267,395	226,187
61 - 90 days	61,503	68,242
91 - 120 days	23,446	20,307
121 - 365 days	16,617	38,290
> 365 days	-	-
	<b>7,939,474</b>	<b>6,774,447</b>
Less: Provision for debt impairment	(428,221)	(150,063)
	<b>7,511,253</b>	<b>6,624,384</b>
<b>Reconciliation of debt impairment provision</b>		
Balance at beginning of the year	150,063	255,432
Contributions to provision	959,558	204,910
Debt impairment written off against provision	(681,400)	(310,279)
	<b>428,221</b>	<b>150,063</b>

The maximum exposure to credit risk at the reporting date is the fair value of each class.

## WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## **Notes to the Annual Financial Statements**

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**14. Other trade receivables from non-exchange transactions**

Other Insurance claim	11,417,308	6,657,442
	101,435	19,126
<b>Total other debtors</b>	<b>11,518,743</b>	<b>6,676,568</b>

### 15. VAT receivable

VAT - 1,796,332

VAT is payable on the receipts basis. Only once payments is received from debtors is VAT paid over to SARS.

## Reconciliation of VAT accounts

VAT 201 returns as at 30 June	-	1,252,143
VAT not paid on VAT 201 return	-	-
VAT not claimed on VAT 201 return	-	1,755,641
VAT Output	-	(1,211,452)
	<hr/>	<hr/>
		1,796,332

#### 16. Cash and cash equivalents

Cash and cash equivalents included in the cash flow statement comprise the following statement of amounts indicating financial position:

Cash book balances	10,022,730	8,783,850
Short-term investments	149,213,760	125,456,146
Floats	450	450
<b>Total cash and cash equivalents</b>	<b>159,236,940</b>	<b>134,240,446</b>

**The municipality had the following bank accounts**

Account number / description	Bank statement balances		Cash book balances	
	30 June 2013	30 June 2012	30 June 2013	30 June 2012
First National Bank - Current Account	8,672,125	8,011,164	8,672,125	8,011,164
First National Bank - Current Account	1,629,790	812,866	1,350,605	772,686
Floats	450	450	450	450
Short-term investments	149,213,760	125,456,146	149,213,760	125,456,146
<b>Total</b>	<b>159,516,125</b>	<b>134,280,626</b>	<b>159,236,940</b>	<b>134,240,446</b>

**The short-term investments included are as follows:**

First National Bank	33,922,003	14,764,222
Investec	10,122,050	-
Absa Bank	59,417,523	56,252,379
Nedcor	35,632,274	33,761,346
Investec	10,119,910	-
Standard Bank	-	20,678,199
<b>Total Investment Deposits</b>	<b>149,213,760</b>	<b>125,456,146</b>

## Average Rate of Return on Investments

5.64% 6.03%

6.03%

Fixed deposits amounting to R10 915 703 (2012 : R7 944 149 ) has been ring - fenced for the purpose of repaying long - term liabilities as set out in Note 30.

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Notes to the Annual Financial Statements

Figures in Rand	2013	2012
<b>17. Service charges</b>		
Sale of electricity	318,160	274,918
Sale of water	87,317,556	80,229,388
Sewerage and sanitation charges	80,188	70,724
Fire fighting services	1,092,183	-
	<b>88,808,087</b>	<b>80,575,030</b>
<b>18. Other revenue</b>		
<b>Non - exchange transactions</b>		
Sundry overpayments	5,201	49,820
Interest on debtors	73,117	30,367
Building plan fees	116,230	116,230
Search fees	3	-
Permit fees (inland water)	53,820	112,140
Sundry income	819,501	4,247,030
	<b>1,067,872</b>	<b>4,555,587</b>
<b>Exchange transactions</b>		
Resort income	2,790,314	2,535,550
Rent	2,538,692	2,896,686
Water services	5,012,853	5,224,401
	<b>10,341,859</b>	<b>10,656,637</b>

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Notes to the Annual Financial Statements

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### 19. Employee related costs

#### EMPLOYEE RELATED COSTS

Employee related costs - Salaries and Wages	46,590,343	49,272,288
Employee related costs - Contributions for UIF, pensions and medical aids	12,622,287	16,698,910
Bonus	1,431,421	3,015,769
Bonus (Roads)	560,878	1,251,134
Travel, motor car, accommodation, subsistence and other allowances	13,744,828	7,539,477
Overtime payments	4,396,463	4,021,155
Long-service awards	185,179	283,999
Long-service awards (Roads)	238,241	107,061
Housing benefits and allowances	339,098	535,348
Special allowances	3,683,881	-
Less: Employee costs included in other expenses	(16,356,118)	(16,540,709)
	<b>67,436,501</b>	<b>66,184,432</b>

#### Remuneration of Municipal Manager (This expense forms part of Employee related costs)

Annual Remuneration	1,254,352	1,162,116
Car Allowance	195,577	195,576
Performance Bonuses	55,485	65,381
Contributions to UIF, Medical and Pension Funds	31,052	29,433
Telephone Allowance	15,984	-
Other	4,200	-
	<b>1,556,650</b>	<b>1,452,506</b>

#### Remuneration of Chief Financial Officer (This expense forms part of Employee related costs)

Annual Remuneration	827,388	772,368
Car Allowance	26,876	26,876
Performance Bonuses	38,839	45,766
Contributions to UIF, Medical and Pension Funds	182,423	171,744
Telephone Allowance	15,984	-
Other	4,200	-
	<b>1,095,710</b>	<b>1,016,754</b>

#### Remuneration of individual executive directors - Technical Services (This expense forms part of Employee related costs)

Annual Remuneration	800,371	810,000
Car Allowance	83,410	13,640
Performance Bonuses	38,839	45,766
Contributions to UIF, Medical and Pension Funds	91,004	147,348
Telephone Allowance	14,652	-
Other	3,850	-
	<b>1,032,126</b>	<b>1,016,754</b>

#### Remuneration of individual executive directors - Corporate and Community Services (This expense forms part of Employee related costs)

Annual Remuneration	816,822	800,400
Car Allowance	72,000	24,968
Performance Bonuses	38,839	45,766
Contributions to UIF, Medical and Pension Funds	147,865	145,620
Telephone Allowance	15,984	-
Other	4,200	-
	<b>1,095,710</b>	<b>1,016,754</b>

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Notes to the Annual Financial Statements

Figures in Rand	2013	2012
<b>20. Remuneration of councillors</b>		
Executive Major	484,098	451,773
Deputy Executive Mayor	556,101	508,273
Speaker	350,040	324,705
Councillors and Secretarial support	749,612	671,150
Councillors' pension contribution	133,380	157,220
Executive Committee Members	1,678,226	1,538,888
	<b>3,951,457</b>	<b>3,652,009</b>
<b>In-kind benefits</b>		
The Executive Mayor, Deputy Executive Mayor, Speaker and Mayoral Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the Council. Remuneration of councillors are costed to the following departments - Municipal Manager, Financial Services, Administration and Council expenses.		
<b>21. Repairs and maintenance</b>		
<b>Repairs and Maintenance consist of the following:</b>		
Executive and Council	263	-
Finance and Administration	666,405	1,179,101
Health	8,493	23,371
Community and Social Services	330,425	-
Housing	707,572	162,084
Public Safety	965,098	500,687
Road Transport	7,100,365	15,767,427
Water Services	4,182,347	3,508,266
	<b>13,960,968</b>	<b>21,140,936</b>
<b>22. Finance costs</b>		
Long term liabilities	10,793,408	11,163,905
<b>23. Bulk purchases</b>		
Water	8,719,712	7,628,846

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Notes to the Annual Financial Statements

Figures in Rand	2013	2012
<b>24. General expenses</b>		
Advertising	350,891	424,119
Assessment rates & municipal charges	315,938	432,994
Auditors remuneration	1,658,298	1,617,316
Plant and Indirect Account - Roads	51,506,668	43,088,045
Computer expenses	703,253	559,602
Delivery expenses	161,433	160,070
Insurance	136,168	173,068
Rental offices	1,517,762	1,336,133
Water demand management	300,000	131,534
Lease rentals on operating lease	8,309,730	10,649,015
Magazines, books and periodicals	30,956	30,537
Medical aid fund	16,559,241	7,238,723
Vehicle: petrol & oil	154,009	252,779
Leave fund	2,621,767	793,657
Contribution to free municipal service	568,427	539,431
Fuel and oil	2,647,440	2,449,666
Printing and stationery	774,962	760,919
Project maintenance costs	1,031,642	1,266,542
Security officers	268,950	340,955
Telephone and fax	899,944	1,263,936
Transport and freight	2,223,099	2,195,955
Subsistance allowances	655,510	773,535
Electricity	15,093,874	13,079,658
Water and milk samples	248,381	261,424
Chemicals	5,831,455	5,110,983
Skills development levy	509,681	528,740
Sundry expenses	6,642,404	-
Exhibitions	365,240	418,555
Contributions and grants	598,800	729,692
Professional service	2,385,822	2,076,057
Interest transfer	-	3,713
Housing operators	351,059	323,227
Other operating expenses	11,660,831	15,163,822
	<b>137,083,635</b>	<b>114,174,402</b>

## 25. Correction of error

25.1) PROPERTY, PLANT AND EQUIPMENT	Opening balance before reclassification	Adjustment	Balance After adjustment
Depreciation During the current financial year the municipality corrected an error. Depreciation of R956 260 was incorrectly deducted in the annual financial statements as first time adoption of GRAP 17.	(97,597,908)	956,260	(96,641,648)
25.2) VAT, WCA and Leases  During the current financial year the municipality corrected a error. Amount of R1 331 416 relating to Input VAT, WCA and Leases was not paid in the financial statements for the year ended 30 June 2012.	-	(1,331,416)	-
25.3) IT Stores  During the current financial year the municipality corrected a error. The municipality created a new IT store. An amount of R193 332 was incorrectly expensed in the financial statements and reversed to inventory.	-	193,332	-

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Notes to the Annual Financial Statements

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### 25. Correction of error (continued)

#### CORRECTION OF ERROR - 30 June 2013

Opening accumulated surpluses as previously reported	293,300,079
Correction of Error	(181,824)
	<hr/>
Correction of error Depreciation	956,260
Correction of VAT, WCA and Leases	(1,331,416)
Correction of IT Store	193,332
	<hr/>
	<b>293,118,255</b>

### 25.4) Capital Commitments

During the current financial year the municipality corrected an error. Capital Commitments were incorrectly disclosed in the financial statements for the year ended 30 June 2012.

Prior year balance as reported	- 46,016,126
Correction of error	- (22,332,888)
	<hr/>
	<b>- 23,683,238</b>

### 26. Change in accounting estimate

#### Property, plant and equipment

##### Cost

The following change in estimate amounting to R533 499(2012: R 1 086 085) was made to cost reported in the financial statements of this Municipality and is applied prospectively.

The change in accounting estimate is due to the efforts of this Municipality to comply with GRAP 17. The municipality had noted that these assets had a zero book value at year end and then had re-assessed the value and useful life of these assets.

533,499 1,086,085

Cost Adjustment

**533,499 1,086,085**

#### Net effect on the Accumulated Surplus

### 27. RECLASSIFICATION TO PROPERTY, PLANT AND EQUIPMENT - IMPLEMENTATION OF GRAP

The following adjustments were made to amounts previously reported in the annual financial statements of the Municipality arising from the implementation of GRAP 17:

2013	Opening Balance	Adjustment	Balance After adjustmnet
Cost			-
Land (10000)	15,241,364	(124,246)	15,117,118
Buildings (20000)	59,403,483	(3,055,375)	56,348,109
Other Structures Infrastructure (30000)	279,570,685	4,140,504	283,711,189
Other (40000)	53,923,239	(994,661)	52,928,578
Intangible Assets (70000)	1,164,606	-	1,164,606
Investment Property (80000)	5,474,271	33,779	5,508,050
Reclassification on implementation of GRAP 17	<hr/>	<hr/>	<hr/>
	414,777,648	-	414,777,648

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Notes to the Annual Financial Statements

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### 28. Accumulated surplus

Balance as at 1 July 2012 previously reported	293,300,079
Change in Accounting estimate (Fair value assets)	533,499
Correction of Error	<u>(181,824)</u>
 Restated Balance as at 1 July 2012	 293,651,754
Net income/loss for the period	8,093,682
<b>Balance at 30 June 2013</b>	<b><u>301,745,436</u></b>

### 29. Cash generated from (used in) operations

Surplus (deficit)	8,093,682	(30,877,099)
<b>Adjustments for:</b>		
Depreciation and amortisation	12,485,462	19,525,862
Loss on PPE	11,345	(425,603)
Error note	<u>(508,499)</u>	1,232,014
<b>Changes in working capital:</b>		
Inventories	(246,736)	(231,601)
Other debtors	(4,842,175)	(1,878,099)
Debtors	(886,869)	(332,738)
Other asset 1	(53,704)	-
Trade payables from exchange transactions	6,389,185	(7,136,825)
VAT	1,796,332	983,157
Benefits accrual	2,736,021	27,419
Other payables - unspent conditional grants and receipts	317,531	(912,285)
Provisions	-	(158,042)
Employee benefit	15,145,772	6,077,586
 <b>Cash generated from (used in) operations</b>	 <b><u>40,437,347</u></b>	<b><u>(14,106,254)</u></b>

### 30. Utilisation of Long-term liabilities reconciliation

Long - term liabilities ( see Note 3)	111,671,469	91,090,484
Used to finance property, plant and equipment	(111,671,469)	(91,090,484)
Cash set aside for the repayment of long-term liabilities	10,915,703	7,944,149
<b>Cash Invested for repayment of long - term liabilities</b>	<b><u>10,915,703</u></b>	<b><u>7,944,149</u></b>

Long-term liabilities have been utilized in accordance with the Municipal Finance Management Act. Sufficient cash has been set aside to ensure that long-term liabilities can be repaid on redemption date.

### 31. Unauthorised expenditure

Reconciliation of Unauthorised expenditure	-	-
Opening balance	-	-
Unauthorised expenditure current year	-	-
Approved by Council or condoned	-	-
 <b>Unauthorised expenditure awaiting authorisation</b>	 <b><u>-</u></b>	<b><u>-</u></b>

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

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### 32. Fruitless and wasteful expenditure

Reconciliation of Fruitless and wasteful expenditure

Opening balance	7,053	-
Fruitless and wasteful expenditure current year	(7,053)	-
Condoned or written off by Council	-	-
<b>Fruitless and wasteful expenditure awaiting condonement</b>	<b>-</b>	<b>-</b>

The above expenditure was for the remuneration of fines for the late registration of a used water tanker. The municipality bought the water tanker from The Provincial Administration Western Cape (Road Department) in December 2012 at an amount of R45 671. The vehicle could not be transferred to the municipality due to the mechanical faults. Because of the festive season the vehicle was repaired in February 2014 to complete the transfer from the Provincial Administration Western Cape to the municipality. The expenditure was condoned by the Mayoral Committee held on 22 April 2013 item BM/13/04/22/7.2.1.1.

### 33. Irregular expenditure

Opening balance

Awards to persons in service of state	-	-
Irregular expenditure current year	-	-
Less: Condoned or written off by Council	-	-
<b>Irregular expenditure awaiting condonement</b>	<b>-</b>	<b>-</b>

### 34. Additional disclosure in terms of Municipal Finance Management Act

#### 34.1) Contributions to organised local government

Opening balance	584,530	420,713
Council subscriptions	(584,530)	(420,713)
Amount paid - current year	-	-
Amount paid - previous years	-	-
<b>Balance unpaid (Included in creditors)</b>	<b>-</b>	<b>-</b>

#### 34.2) Audit fees

Opening balance	1,658,298	1,617,316
Current year audit fee	(1,658,298)	(1,617,316)
Amount paid - current year	-	-
Amount paid - previous years	-	-
<b>Balance unpaid (included in creditors)</b>	<b>-</b>	<b>-</b>

#### 34.3) PAYE and UIF

Opening balance	12,182,367	13,188,802
Current year payroll deductions	(12,182,367)	(13,188,802)
Amount paid - current year	-	-
Amount paid - previous years	-	-
<b>Balance unpaid (Included in creditors)</b>	<b>-</b>	<b>-</b>

#### 34.4) Pension and Medical Aid Deductions

Opening balance	14,164,189	11,369,995
Current year payroll deductions and Council Contributions	(14,164,189)	(11,369,995)
Amount paid - current year	-	-
Amount paid - previous years	-	-
<b>Balance unpaid (included in creditors)</b>	<b>-</b>	<b>-</b>

## WEST COAST DISTRICT MUNICIPALITY

## Annual Financial Statements for the year ended 30 June 2013

## **Notes to the Annual Financial Statements**

Figures in Rand 2013 2012

**34. Additional disclosure in terms of Municipal Finance Management Act (continued)**

### 34.5) VAT

VAT receivable	-	1,796,332
VAT payable	53,704	-
	<b>53,704</b>	<b>1,796,332</b>

VAT inputs receivables and VAT output receivables are shown in note 15 and 48

All VAT returns have been submitted by the due date throughout the year

### **34.6) Particulars of non-compliance**

In terms of Section 166 (2) a (ii) of the Municipal Finance Management Act no 56 of 2003 the audit committee did not review and recommend disclosures on matters of risk and risk management in the financial statements; Evaluate the effectiveness of internal audit in its responsibility of risk management; Provide an independent and objective view of the municipality's risk management effectiveness. In terms of section 65 (e) of the Municipal Finance Management Act no 56 of 2003 all money owing by the municipality must be paid within 30 days of receiving the relevant invoice or statement, unless prescribed otherwise for certain categories of expenditure. The following expenses were paid outside of the prescribed period:

**Bandkorp** was not paid due to an incorrect invoice sent to the municipality. Payment was made on the receipt date of the correct invoice. Payment was made per ACB - 163277 on 3 October 2012.

**CMS Truck Centre** - The municipality could not make payment because of the late receipt of CMS Truck Centre's original bank letter. The municipality made numerous calls to CMS Truck Centre to provide the required information. Payment was made per cheque - 50423 on 2 October 2012.

<b>Incident</b>			
Bandkorp		9,910	-
CMS Truck Centre		13,817	-
		<b>23,727</b>	-

### 35. Capital Commitments

#### **Commitments in respect of capital expenditure**

• Other Structures (Infrastructure)	3,231,250	46,016,126
• Error Note 25.4	-	(22,332,888)
• Other	-	-

**Approved and contracted for** **3,231,250** **23,683,238**

- Other Structures (Infrastructure) 13,068,750
- Other -

**Approved but not yet contracted for** **13,068,750** -

**Total** **16,300,000** **23,683,238**

This expenditure will be funded from the Accumulated Surplus. Capital commitments are specific capital projects approved per tender and budget but still in progress at period end.

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

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### 36. Retirement Benefit Information

The Municipality provides retirement benefits for all its permanent employees through a defined contribution plan, which is subject to the Pension Fund Act, 1956 as amended. The Contributions to the plan during the year were:

Cape Joint Pension Fund	370,749	333,613
Cape Joint Pension Fund shortfall	-	942,672
Cape Joint Retirement Fund	14,910,010	13,911,839
Councillors Pension Fund	347,857	324,108
<b>Defined contribution plan</b>	<b>15,628,616</b>	<b>15,512,232</b>

Cape Joint Pension fund, which is a defined multi - employer contribution fund. Contribution ratio employees 9% and Council 18%.

Cape Joint Retirement Fund, which is a defined multi - employer contribution fund. Contribution ratio employees 9% and Council 18 %.

Councillors of the West Coast District Municipality are members of the Municipal Councillors Pension Fund, which is a defined contribution plan. Contribution ratio Councillors 13.75% and Council 15%.

Multi employer funds are treated as defined contribution funds.

#### Shortfall

Amount outstanding from the Cape Joint Pension Fund.	-	942,672
<b>The amount was calculated using the following variables.</b>		
Rule 17(5) of the fund	-	-

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Notes to the Annual Financial Statements

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### 37. Related parties

The following related parties exist:

National Treasury  
 Provincial Treasury  
 Department of Water Affairs and Forestry  
 Sanlam Credit  
 Development Bank of South Africa (DBSA)  
 ABSA Bank  
 H F Prins (Municipal Manager)  
 J Koekemoer (Chief Financial Officer)  
 W Markus (Director: Corporate and Community Services)  
 I A B van der Westhuizen (Director: Technical Services)  
 H Matthee (Director: Technical Services)  
 Cllr J H Cleophas (Executive Mayor)  
 Ald J J Josephus (Deputy Executive Mayor)  
 Cllr A Kruger (Speaker)  
 Cllr A P Mouton (Mayoral Committee Member)  
 Cllr I F Julies (Mayoral Committee Member)  
 Cllr M Koen (Mayoral Committee Member)  
 Cllr B J Stanley (Mayoral Committee Member)  
 Other Councillors  
 Cllr J Swart  
 Cllr R Skei  
 Cllr J Barnard  
 Cllr N G Delport  
 Cllr C H Heyns  
 Cllr W D Loft  
 Cllr M Smit  
 Cllr C J Snyders  
 Cllr S R Claassen  
 Cllr E L Mgingqi  
 Cllr J J Fransman  
 Cllr N V Mgoqi  
 Cllr J J Cillie  
 Cllr S T Vries  
 Cllr N J A Rust  
 Cllr N S Zatu  
 Cllr C Ovies

### Related party balances

#### Grants received from related parties

National Treasury	3,313,000	2,328,000
Provincial Treasury	1,340,514	5,218,258
Department of Water Affairs and Forestry	8,910,926	-
Private donations	34,750	2,056,813

#### Loan from related parties

Sanlam Credit	19,854,111	22,579,669
Development Bank of South Africa (DBSA)	61,204,075	35,598,185
ABSA Bank	30,612,653	32,912,629

#### Purchases of goods and services from related parties

Department of Water Affairs and Forestry	8,719,712	7,628,846
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# WEST COAST DISTRICT MUNICIPALITY

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### 38. Leases

The total future minimum operating lease payments payable under existing operating lease arrangements are categorised as follows:

a) Within one year of the reporting date	6,912,856	6,783,471
b) More than one year but less than five years of the reporting date, and	45,527,803	41,382,717
c) More than five years of the reporting date	5,735,812	16,592,885
<b>Total future minimum operating lease payments</b>	<b>58,176,471</b>	<b>64,759,073</b>

The municipality entered into an operating lease for the rental of photocopiers for five years with Mdluli Sharp. There are no escalation clause.

The municipality entered into an operating lease for the rental of photocopiers for three years with Konica Minolta. There are no escalation clause.

The municipality entered into an operating lease for the rental of two photocopiers and 1 fax machines for five years with Mdluli Sharp. The date of inception was December 2007 with no escalation clause. The equipment numbers of the photocopiers are AR 1161.

The municipality entered into an operating lease for the rental of photo-copiers with Cape Office Machines. The serial numbers of the photo-copiers are 3639688703 and 3639688720. There are no escalation clause

An operating lease transaction exists between the Council and the West Coast Financing Partnership for a ten year period. The payments are payable every six months. The properties is section 36 of the farm Yzervarkensrug number 125 and section 3 of division Malmesbury farm number 91.

The municipality entered into an operating lease for the rental of a emergency and disaster management information system. The lease is between Africon and the municipality. The contract is for a 6 month period.

The municipality entered into an operating lease for the rental of two offices. The lease is between Frank Family Trust and the Municipality. The contract is for a 1 year period. The property involved is Voortrekker Road 47 Malmesbury.

The municipality entered into an operating lease for the rental of offices. The lease is between J F J Swart and the Municipality. The contract is for a 3 year period. The property involved is erf 1472 Clanwilliam.

The municipality entered into an operating lease for the rental of offices. The lease is between Pelican Harbour and the Municipality. The contract is for a 2 year period. The property involved is site number 4.

The municipality entered into an operating lease for the rental of offices. The lease is between Bennett Joubert Family Trust and the Municipality. The contract is for a 3 year period. The property involved is site West Coast Farmstal corner of R27 and R315, Yzerfontein.

The municipality entered into two operating leases agreements with Telkom SA which will take effect as soon as the services are delivered. The contract is for a 5 year period with no escalation clause.

The municipality entered into an operating lease for the rental of storage capacity. The lease is between D Joubert and the Municipality. The contract is for a 12 month period. The property involved is erf 858 Riebeek-West.

The municipality entered into an operating lease for the rental of offices. The lease is between Saldanha Municipality and this Municipality. The contract is for a month to month period. The property involved is erf 860 Langebaan.

The municipality entered into an operating lease agreement with Besiness Engineering. The contract involves the Collaborator Foundation System and is for a 12 month period.

# WEST COAST DISTRICT MUNICIPALITY

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### 39. Financial risk management

#### Overview

The Municipality has exposure to the following risks from its use of financial instruments:

Credit risk

Liquidity risk

Market risk

The council has overall responsibility for the establishment and monitoring of the Municipality's risk management policies and procedures which have been established to identify and analyse the risks faced by the municipality to set appropriate risk limits and controls and to monitor risks and adherence to the limits. Risk management policies and procedures are reviewed regularly to reflect changes in market conditions and the municipality's activities.

#### Liquidity risk

Liquidity risk is the risk that the Municipality will not be able to meet its financial obligations as they fall due. The Municipality's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Municipality monitors cash flow requirements and has arranged credit facilities with its suppliers.

#### Interest rate risk

The Municipality finances its operations through a combination of credit from supplies, and retained reserves and generally adopts a policy of ensuring that its exposure to changes in interest rates is on a fixed rate basis. The Municipality does not utilise derivative financial instruments to hedge its interest rate risk exposures.

#### Credit risk

Credit risk is the risk of financial loss to the Municipality if a consumer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Municipality's receivables from consumers.

The municipality's exposure to credit risk is influenced mainly by the individual characteristics of consumer. There is no significant concentration of unsecured credit risk.

An allowance for bad debt is established based on managements' estimate of identified incurred losses in respect of specific trade and other receivables. Bad debts identified are written off on a yearly basis.

Reputable financial institutions are used for investing and cash handling purposes.

#### Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rate will affect the Municipality's income. The objective of market risk management is to manage and rate will affect the Municipality's income. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the return.

The policy of the Council is to maintain a strong capital base so as to maintain market confidence and to sustain future development of the business. There were no changes in the Municipality's approach to financial risk management from the prior year.

# WEST COAST DISTRICT MUNICIPALITY

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### 40. Financial Instruments

#### 40.1) Credit risk

The carrying amount of receivables and loans represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Trade and other receivables	19,029,996	13,300,953
	<b>19,029,996</b>	<b>13,300,953</b>

**The ageing of trade and other receivables at the reporting date was:**

Current	19,089,256	13,097,990
30 Days	267,395	226,187
60 Days	61,503	68,242
90 Days	23,446	20,307
120 Days plus	16,617	38,290
	<b>19,458,217</b>	<b>13,451,016</b>
Provision for bad debt	(428,221)	(150,063)
	<b>19,029,996</b>	<b>13,300,953</b>

**The movement in the allowance for bad debt in respect of trade receivables over the year was:**

Balance at the beginning of the year	150,063	255,432
Contributions to provision	945,361	198,563
Interest on Investment	14,197	6,347
Expenditure incurred	(681,400)	(310,279)
<b>Balance at the end of the year</b>	<b>428,221</b>	<b>150,063</b>

The allowance for bad debts in respect of trade receivables is used to record impairment losses until the Municipality is satisfied that no recovery of the amount owing is possible. At that point the amount is considered irrecoverable and written off directly against the financial assets.

#### 40.2) Liquidity risk

The following are contractual maturities of financial liabilities, including interest payments and excludes the impact of netting agreements:

Non-derivative financial assets	Carrying Amount	Contractual Cash Flows	Within 1 Year	2 - 5 Years	More than 5 Years
2013					
Trade and other receivables	19,029,996	19,029,996	19,029,996	-	-
Cash and cash equivalents	159,236,940	159,236,940	159,236,940	-	-
	<b>178,266,936</b>	<b>178,266,936</b>	<b>178,266,936</b>	<b>-</b>	<b>-</b>
Non-derivative financial liabilities	Carrying Amount	Contractual Cash Flows	Within 1 Year	2 - 5 Years	More than 5 Years
2013					
Trade and other payables	25,723,834	25,723,834	25,723,834	-	-
Deferred Grants	1,725,270	1,725,270	1,725,270	-	-
Long term liabilities	111,671,469	111,671,469	10,915,703	71,536,005	29,219,761
	<b>139,120,573</b>	<b>139,120,573</b>	<b>38,364,807</b>	<b>71,536,005</b>	<b>29,219,761</b>

#### 40.3) Interest rates risks

The Municipality's exposure to interest rate risk and the effective interest rates on financial instruments at balance sheet date are as follows:

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Non-derivative financial assets	Interest Rate	Within 1 Year	2 - 5 Years	More than 5 Years
<b>2013</b>				
<b>Assets</b>				
Trade and other receivables	8.5%	19,029,996	-	-
Cash and cash equivalents - Short term investments	5.64%	149,213,760	-	-
Cash and cash equivalents - Cash book balances	3.5% floating	10,022,730	-	-
		<b>178,266,486</b>	-	-
<b>Non-derivative financial liabilities</b>	<b>Interest Rate</b>	<b>Within 1 Year</b>	<b>2 - 5 Years</b>	<b>More than 5 Years</b>
<b>2013</b>				
<b>Liabilities</b>				
Trade and other payables	Interest free	25,723,834	-	-
Deferred Grants	Interest free	1,725,270	-	-
Long term liabilities	12.54%, 11.73%, 9.69% and 9.95%	10,915,703	71,536,005	29,219,761
		<b>38,364,807</b>	<b>71,536,005</b>	<b>29,219,761</b>

#### Sensitivity analysis

An increase of 1% in interest rates at 30 June would have increased/(decreased) financial assets and profit or loss by the amounts shown below. A decrease of 1% in interest rates at 30 June would have had the equal but opposite effect on the above financial instruments, on the basis that all other variables remain constant. There were no changes in the Municipality's approach from the prior year.

Non-derivative financial liabilities	Statement of Financial Position	Profit or loss	
<b>2013</b>			-
Trade and other receivables	19,029,996	190,300	-
Cash and cash equivalents - Short term investments	149,213,760	1,492,138	-
Cash and cash equivalents - Cash book balances	10,022,730	100,228	-
	<b>178,491,168</b>	<b>1,784,913</b>	-

#### 40.4) Fair values

Due to their short maturities the fair values of all financial instruments are substantially identical to the values reflected in the balance sheet.

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### 41. Accounting Policy Developments

The Minister of Finance has, in terms of Section 91 of the Public Finance Management Act, 1999 (Act number 1 of 1999), prescribed the following Standards set by the Accounting Standards Board in terms of Section 89:

At the date of authorization of these financial statements, the following Standards were in issue but not yet effective for this financial year..

GRAP 18 - Segment Reporting

GRAP 20 - Related Party Disclosures

GRAP 25 - Employee Benefits

GRAP 105 - Transfer of Functions Between Entities Under Common Control

GRAP 106 - Transfer of Functions Between Entities Not Under Common Control

GRAP 107 - Mergers

The effective date of these Standards are for periods beginning on or after a date to be determined by the Minister of Finance in a regulation to be published in accordance with section 91 (1)(a) of the Public Finance Management Act, Act No.1 of 1999 as amended if applicable.

Management has evaluated all of these Standards and the impact on future financial statements and has come to the conclusion that the impact of implementation of the above Standards are not significant.

### 42. Contingent Liabilities

The municipality is being sued by M J Visagie for injuries sustained in an accident in 2004. Council is contesting the claim based on legal advice. The legal experts believe that the Municipality has a reasonable chance of success. The case numbers is 8872 and 8872/2002.

The municipality is being sued by P Juries. Council is contesting the claim based on legal advice. The case number is 16035/2010. The legal experts believe the Municipality has a reasonable chance of success.

The municipality is being sued by Tredoux, wife and on behalf of her minor (child) for injuries sustained in an accident within the boundaries of the WCDM. Council is contesting the claim based on legal advice. The legal experts believe that the municipality has a reasonable chance of success. The case number is 6660/08. This is a High Court matter.

The municipality is being sued by Mr J A Kock an ex-worker for injuries contained while in the service of the municipality. Council is contesting the claim based on legal advice. The legal experts believe the municipality has a strong chance of success.

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### 43. Additional Disclosures in terms of Supply Chain Management Regulation

1. In terms of the Supply Chain Regulations No. 27636 - 30 May 2005 section 36 (1 - 3) a municipality is allowed to deviate from, and ratification of minor breaches of, the supply chain management processes. As per the reporting period the municipality had the following deviations from, and ratification of the supply chain management processes:

VI Instruments	4,560	-
Vissershok Waste Management	28,000	-
Lexis Nexis	5,990	-
GLS Consulting	972,762	-
The State Publisher	40,000	-
Capman (Pty) Ltd	13,588	-
Supa Quick Moorreesburg	2,251	-
Kimru IT Logix (Pty) Ltd	2,133	-
Bester Technical Services	3,078	-
Labour Law Club	4,863	-
Bytes Systems Integrations	17,010	-
Protea Hotel OR Tambo	2,008	-
Electro Diesel Motolek	2,850	-
Imasa	7,110	-
Enviroserv	5,000	-
High Angle Rescue and Access	22,572	-
Bell Equipment	14,327	-
Intelligence Transfer Centre	13,678	-
Bell Equipment	4,375	-
Institute of Fire Engineers	5,700	-
Sibathatu	75,910	-
IRCA Cape Town	2,052	-
Wacker SA (Pty) Ltd	9,617	-
Trentyre	3,946	-
Babcock	6,910	-
Ignite Advisory Services	199,500	-
Atlas Copco	22,245	-
High Angle Rescue and Access	22,572	-
JB's Nissan	2,472	-
African Centre for Disaster Management	3,950	-
Roux & Van Dyk	45,987	-
Flex-IT Engineering	12,000	-
FES Manufacturing	15,000	-
Ian Dickie	2,012	-
Atlas Copco	22,245	-
Marine & General Cleaning Services	8,373	-
Barloworld Equipment	9,241	-
Spar Clanwilliam	2,270	-
SSE Cape	3,550	-
ICASA	5,850	-
Drager	42,000	-
Hazard Bonako Cape (Pty) Ltd	4,299	-
Beeld Holiday Makers Expo	37,801	-
Unisa	6,877	-
Marine & General Cleaning Services	5,920	-
SAIEH	3,200	-
Working on fire	7,900	-
Sandveld Dienste BK	5,630	-
Supa Quick Moorreesburg	2,326	-
Smit Ingenieurswerke & Transport	6,555	-
Drager	10,944	-
F.E.S Manufacturing	35,580	-
Enviroserv	5,000	-
F.E.S Manufacturing	44,440	-
Angus Fire	79,515	-
Cape Peninsula University of Technology	8,000	-
Adroit Technologies	9,690	-
Stemmet Vervoer	39,672	-
Barloworld Equipment	5,471	-

# WEST COAST DISTRICT MUNICIPALITY

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<b>43. Additional Disclosures in terms of Supply Chain Management Regulation (continued)</b>		
Bell Equipment	11,283	-
Enviroserv	5,000	-
Groter Cederberg Brandbeskermingsvereniging	6,000	-
JB's Nissan	2,314	-
Enviroserv	5,000	-
African Oxygen Limited	3,257	-
Capman (Pty) Ltd	46,498	-
Total Laboutique	2,065	-
Buchuberg Exploration & Farming	34,058	-
Oasys Exhibitions	8,692	-
Ice Solutions	2,223	-
Bytes Systems Integrations	7,923	-
Groter Cederberg Brandbeskermingsvereniging	12,386	-
Hyflo Southern Africa	13,777	-
IMFO	3,370	-
De Kelder	2,223	-
Emil's Place	7,495	-
Flex-it Engineering	38,386	-
Procedo Training Providers	3,168	-
Institute of Internal Auditors	2,090	-
Ramsay, Son & Parker	30,267	-
Heuningvlei Tourism	2,600	-
Waste Tech	6,000	-
Namibia Tourism Expo	13,386	-
Capman (Pty) Ltd	15,675	-
SALGA	6,000	-
FFA Aviation (Pty) Ltd	14,108	-
FFA Aviation (Pty) Ltd	130,380	-
FFA Aviation (Pty) Ltd	468,274	-
FFA Aviation (Pty) Ltd	146,419	-
FFA Aviation (Pty) Ltd	2,117	-
FFA Aviation (Pty) Ltd	75,591	-
FFA Aviation (Pty) Ltd	3,690	-
FFA Aviation (Pty) Ltd	177,491	-
FFA Aviation (Pty) Ltd	119,359	-
Breede River Resort & Fishing Lodge	14,925	-
FFA Aviation (Pty) Ltd	102,207	-
J'Chainie TV & CD Productions	9,000	-
Nelson Mandela Metropolitan University	11,940	-
Unisa	14,540	-
Unisa	3,630	-
Southern Business School	7,550	-
University of Western Cape	28,490	-
Stellenbosch University	99,550	-
Groter Cederberg Brandbeskermingsvereniging	6,000	-
Wesgro	166,657	-
Porterville Tyre & Exhaust	3,145	-
Wear Check Africa	17,155	-
Southern African Expo Solution	8,211	-
Multichoice Africa	12,120	-
Boubel Bk	21,546	-
Business Engineering	26,400	-
Babcock Equipment	12,223	-
FFA Operations (Pty) Ltd	5,446	-
Enviroserv	5,000	-
Piketberg Motors	5,135	-
Runette Louw Design Consultancy	18,810	-
Barloworld Equipment	10,200	-
Maxal Projects	4,779	-
Propfran 120CC	2,910	-
Capman (Pty) Ltd	28,500	-
ELB Equipment	2,750	-
City Lodge Pinelands	4,197	-
College of Cape Town	3,036	-

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<b>43. Additional Disclosures In terms of Supply Chain Management Regulation (continued)</b>		
ICC Durban	4,200	-
Unisa	4,400	-
Tramco (Pty) Ltd	10,151	-
Rent-A-Garden	4,813	-
Tour and Safari Association	3,589	-
Expo Studio Namibia CC	4,254	-
Spannies	2,977	-
Emil's Place	20,256	-
Institute of Municipal Finance Officers	3,810	-
SSE Cape	12,077	-
Maxal Projects	3,509	-
Komatsu	7,720	-
Enviroserv	5,000	-
Vetties Maintenance & Cleaning	1,620	-
Bell Equipment	5,126	-
Riviera Hotel	2,575	-
SAESI	11,000	-
Steve's Electrical	9,252	-
Simply IT	54,108	-
Pricewaterhouse Coopers	4,845	-
Simply IT	25,650	-
Enviroserv	5,000	-
Truck City	11,754	-
Bytes Systems Integrations	14,550	-
ELB	5,399	-
University of Stellenbosch	4,000	-
Centeq Networking CC	4,856	-
Institute of Internal Auditors	3,795	-
SSE Cape	17,750	-
Capman	5,130	-
Kemach Equipment	29,918	-
Ignite Advisory Services	46,170	-
F.E.S Manufacturing	6,569	-
Fire Raiders	40,459	-
West Coast Communications	2,200	-
Barloworld Equipment	3,775	-
ELB Equipment	2,131	-
West Coast Communications	1,117	-
Smitties Engineering Works	2,276	-
Simply IT	7,467	-
Mzantsi Koloni Electronics	26,125	-
Mzantsi Koloni Electronics	50,000	-
Augustyn Springworks	6,325	-
Malmesbury Superspar	5,000	-
Sitrus Motors	6,335	-
Ignite Advisory Services	17,200	-
Pex Hydraulics	7,012	-
321 Design	-	16,000
Flex-it	-	46,925
Flex-it	-	65,879
Perdeberg Motors	-	10,415
Moorreesburg Koringboere	-	2,592
Moorreesburg Koringboere	-	2,219
Perdeberg Motors	-	2,606
African Oxygen LTD	-	10,561
Liplekker Take Aways	-	3,311
Brtiz Motors	-	5,882
Fidelity Security Services	-	46,369
Fidelity Security Services	-	53,788
Bio-Systems	-	51,500
Maxal Projects	-	2,592
High Angle Rescue and Access	-	37,620
High Angle Rescue and Access	-	39,600
Argent Steel Group	-	2,672

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<b>43. Additional Disclosures in terms of Supply Chain Management Regulation (continued)</b>		
Endress & Hauser	-	8,158
Isuzu Truck Centre	-	2,801
Bearing Man LTD	-	2,387
ELB	-	4,223
Sure Swartland Travel	-	3,634
LPS Trekkeronderdele	-	2,850
Kimru IT Logix	-	1,800
Imperial Trucks	-	2,481
Enviroserv	-	5,328
Fire Raiders	-	507,318
Your Travel Companion	-	5,700
Monster Plumbing College	-	27,710
Hino (Imperial Truck)	-	7,132
Two Oceans Aquarium	-	4,400
Auma South Africa (Pty) Ltd	-	20,000
Flex-it	-	4,181
Becker Auto	-	3,500
Bell Equipment	-	24,632
Safety Mecca	-	152,178
Mapux Training Solutions	-	8,550
Tramco (Pty) Ltd	-	4,452
Imperial Trucks	-	2,932
GLS Consulting	-	9,485
Fidelity Security Services	-	53,788
Fidelity Security Services	-	53,788
Element Consulting Engineers	-	66,524
Two Oceans Aquarium	-	945
Spannies	-	10,000
Vag Riko	-	2,000
Moorreesburg Koringboere	-	10,000
Afrox	-	10,000
Auma	-	16,832
Sulzer	-	76,627
Barloworld Equipment	-	6,892
Emit - Environmental Management	-	3,800
Colas SA	-	5,962
Namaqua Garage	-	7,028
Saaymans Springworks CC	-	4,395
Britz Motors	-	9,478
Imperial Trucks	-	5,806
Wear Check Africa	-	8,618
Department of Transport and Public Works	-	16,000
Enviroserv	-	5,700
Elizabethfontein Primér	-	450
Clanwilliam Living Landscape	-	2,500
Bulshoekdam	-	2,040
South African Value Education	-	22,822
High Angle Rescue and Access	-	27,086
Boland Diesel	-	10,810
Barloworld Equipment	-	2,459
Engine & Gearbox Exchange CC	-	6,270
Wear Check Africa	-	8,618
Imperial Trucks	-	5,653
Rubber Products & Mouldings	-	3,374
Reflect All Compressors	-	8,447
CK Rumboll & Vennote	-	5,360
Imperial Trucks	-	7,492
Perdeberg Motors	-	2,782
Perdeberg Motors	-	5,877
Isuzu Truck Centre	-	2,505
Beeld Holidaymakers Expo	-	36,006
High Angle Rescue and Access	-	37,620
JB Nissan	-	2,235
Master Truck Centre	-	3,767

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<b>43. Additional Disclosures in terms of Supply Chain Management Regulation (continued)</b>		
Komatsu	- 14,090	
High Angle Rescue and Access	- 33,744	
Petrosa	- 39,672	
Mzantsi Koloni Electronics	- 298,304	
Escom	- 14,060	
Geelbek restaurant	- 1,365	
Herold Gie Attorneys	- 8,000	
Porterville Tyre and Exhaust	- 2,779	
Saaymans Springworks CC	- 3,323	
Calculus Chartered Accountants	- 52,435	
Water & Drain	- 925	
Allweld Marine & Industrial	- 210,919	
Sulzer SA	- 447,958	
BP Atlantic	- 10,067	
Enviroserv	- 5,000	
Appliances Doctor	- 5,000	
Steve's Electrical	- 2,280	
Modimo African Safan's	- 8,772	
E J van Wyk	- 5,700	
Universal Steel Enterprises	- 5,000	
LH Marthinusen	- 44,544	
Boland Diesel	- 12,688	
Boland Diesel	- 11,439	
EL Conradie	- 5,153	
Perdeberg Motors	- 2,400	
Sizonke Trading	- 25,000	
Namibia Tourism Expo	- 17,226	
The Conference Zone	- 7,523	
Vissershok Waste Management	- 30,000	
Intratec Data Recovery	- 5,230	
Allweld Marine & Industrial	- 238,807	
Imperial Trucks - Cape Town	- 4,537	
Boland Diesel	- 11,439	
Ramsay, son & Parker	- 33,636	
Britz Motors	- 9,562	
Institute of Internal Auditors	- 2,337	
Weskus Elektries	- 2,752	
Bell Equipment co	- 5,316	
V.I Instruments	- 3,531	
ELB Equipment LTD	- 4,318	
Department of Transport and Public Works	- 8,761	
Barloworld Equipment	- 6,171	
Tenie Petroleumdienste	- 24,218	
Dillion Welding	- 2,485	
Capman (Pty) Ltd	- 25,000	
Pricewaterhouse Coopers	- 320,218	
University of Stellenbosch	- 216,300	
Bell Equipment co	- 6,741	
Master Airbrake Truck Services	- 2,549	
Southern African Emergency Services	- 3,420	
Southern Business School	- 8,155	
Herold Gie Attorneys	- 30,000	
Peninsula Elevate Services	- 3,581	
Origiline	- 135,000	
G J Towing & Recovery	- 13,595	
Moorreesburg Golfklub	- 20,723	
Global Africa Network (Pty) Ltd	- 188,340	
Global Africa Network (Pty) Ltd	- 91,200	
Ignite Advisory Services	- 15,732	
Cape Media Corporation	- 10,260	
	<b>4,626,239</b>	<b>4,573,997</b>

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Notes to the Annual Financial Statements

Figures in Rand	2013	2012
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### 43. Additional Disclosures in terms of Supply Chain Management Regulation (continued)

2. In terms of the Supply Chain Regulations No. 27636 - 30 May 2005 section 45 a municipality is allowed to make awards to close family members of persons in the service of the state, or who have been in the service of the state in the previous twelve months. As per the reporting period the municipality made the following awards:

The transactions were concluded in full compliance with the municipality's Supply Chain Management Policy and the transactions are considered to be at arm's length.

Cummins South Africa (Pty) Ltd - Mr Xavier Borel - MPU Parks and Tourism - Clerk	864	173
Baievlei Diesel - Mr Lourens Smith - South African Police Services - Constable	-	19,700
Anka Spyseniering - Mr Andre Frans - West Coast District Municipality - Fire Fighter	1,800	14,350
Blackbird Trading CC - Mrs Marlene Smit - Swartland Municipality - Snr Clerk	27,000	119,700
MACW Catering Services - Mr Willem de Vries - West Coast District Municipality - Carpenter	-	1,650
Liplekker Take Aways - Mr Elvin Pedro - Emergency Services - Chief EMS	49,823	38,621
Golden Rewards 1873 CC - Mr Raynard De Jager - WC: Department of Education - Teacher	1,350	30,880
Elaine's Take Aways & Catering - Mr Edward Marais - West Coast District Municipality - Registration Clerk	12,730	19,941
SwartlandPC.Com - Mr Craig Hoggarth - EMS Swartland Hospital - EMS Volunteer	-	46,800
Catiza Training & Skills Development CC - Mrs Swartz - City of Cape Town - Clerk	-	21,500
Fasfacts - Mrs Nelly Fanie - Marcus Mbetha Secure School - Teacher	-	5,930
Ithuba Industries - Mrs De Morney - Sir Lowry's Pass Primary - Teacher	488,939	195,762
SizweNtsalubaGobodo - Mr D Manana - Department of Trade and Industry - Consultant	159,388	-
JB's Nissan - Mr R Kortje - Wesbank Secondary School - Teacher	27,016	-
Kerr Frames CC - Mrs J van Rooyen - D.F Malan High School - Teacher	2,759	-
<b>771,669</b>		<b>515,007</b>

# WEST COAST DISTRICT MUNICIPALITY

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### 44. Reticulation Losses

#### 1 Water

Kilolitres purchased - after purification	24,426,722	23,692,176
Kilolitres sold	(23,328,832)	(22,490,474)
<b>Reticulation loss</b>	<b>1,097,890</b>	<b>1,201,702</b>

Percentage

4.49% 5.07%

The norm for water losses is 10%. The losses occurred due to burst pipes and leaks from the reservoirs to consumers.

#### 2 Electricity

No reticulation losses were incurred.

The services provided by the municipality relating to electricity are limited to the installation of electricity points in the area.

### 45. Reconciliation between budget and statement of financial performance

Reconciliation of budget surplus/deficit with the surplus/deficit in the statement of financial performance:

Net surplus (deficit) per the statement of financial performance	8,093,682	(30,877,098)
<b>Adjusted for:</b>		
Services charges	(202,989)	2,703,147
Investment revenue	898,704	75,903
Transfers recognised - operational	1,729,560	(9,238,315)
Other own revenue	52,184,886	46,437,632
Employee cost	(8,355,228)	(7,392,447)
Depreciation & asset impairment	11,215,927	2,219,897
Finance charges	1,214,700	(3,665,424)
Materials and bulk purchases	(269,711)	(128,845)
Transfers and grants	-	-
Other expenditure	(49,349,097)	13,148,922
<b>Net surplus per approved budget</b>	<b>17,160,434</b>	<b>13,283,372</b>

### 46. Other payables - unspent conditional grants and receipts

See note 8 for reconciliation of grants from other spheres of government.

These amounts are invested in a ring-fenced investment until utilised.

#### Unspent conditional grants and receipts comprises of:

Provincial Management Support Grant	871,834	832,357
Asset Management Support Grant	-	47,141
Ignite Assist	-	45,548
Donations Mayor	8,120	20,401
R.BIG Funds	845,316	462,292
	<b>1,725,270</b>	<b>1,407,739</b>

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

## Notes to the Annual Financial Statements

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### 47. Discontinued operations or disestablishment of the district management areas (DMA)

The Provincial Minister of Local Government, Environmental Affairs and Development Planning Mr A W Bredell issued the West Coast District Municipality (DC1) establishment sixth amendment in Provincial Notice 6851 (25 February 2011). This notice gives transitional measures to facilitate the disestablishment of the District Management Area and the incorporation of the areas concerned in superseding municipalities. Provincial Treasury recommended in Treasury Circular Mun No 24/2011 (3.3 and 4) that the transfer date of the District Management Area be set at 1 July 2011. This includes assets, liabilities, expenditure and income. The relevant municipalities will only have to include a note of disclosure within the 2010/11 annual financial statements.

The financial implications related to assets, liabilities, expenditure and income are as follows:

#### Surplus / Deficit

Expenses	-	34,219,816
----------	---	------------

#### Assets and Liabilities

Non-current assets	-	-
Property, plant and equipment	-	34,219,816
	-	<b>34,219,816</b>

#### Reconciliation of Property, plant and equipment

Land and Buildings (Cost)	-	1,246,867
Infrastructure (Cost)	-	25,886,678
Buildings (Cost)	-	11,785,674
Other Assets (Cost)	-	1,711,477
Infrastructure (Depreciation)	-	(3,983,714)
Buildings (Depreciation)	-	(1,208,505)
Other Assets (Depreciation)	-	(1,218,661)
	-	<b>34,219,816</b>

#### Non-current Liabilities

Reclamation of refuse landfill site	-	158,042
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#### Current Liabilities

Other Payables	-	98,277
Other Payables	-	101,000
Employee Benefits Accrual	-	180,518
	-	<b>379,795</b>

### 48. VAT payable

Tax refunds payables	-	53,704
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VAT is payable on the receipts basis. Only once payments is received from debtors is VAT paid over to SARS.

#### Reconciliation of VAT accounts

VAT 201 return as at 30 June	929,947	-
VAT not claimed on VAT 201 return	871,454	-
VAT Output	(1,855,105)	-
	<b>(53,704)</b>	-

# WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2013

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### 49. Revenue

#### Exchange transactions

Service charges - Refer to note 17	88,808,087	80,575,030
Interest received - investment	8,898,704	8,075,903
Fees earned	402,000	48,000
Other revenue - Refer to note 18	10,341,859	10,656,637
Gain on disposal of assets and liabilities	-	425,603
	<b>108,450,650</b>	<b>99,781,173</b>

#### Non-exchange transactions

Government grants & subsidies - Refer to note 8	82,061,757	78,036,919
Infrastructure grants	70,955,891	64,439,430
Other revenue - Refer to note 18	1,067,872	4,555,587
	<b>154,085,520</b>	<b>147,031,936</b>

Total Revenue

262,536,170 246,813,109

## **WEST COAST DISTRICT MUNICIPALITY**

Annual Financial Statements for the year ended 30 June 2013

The supplementary information presented does not form part of the annual financial statements and is unaudited

**Actual versus Budget(Revenue and Expenditure) for the year ended 30 June 2013**

	Act. Bal. Rand	Bud. Amt Rand	Variance Rand	Explanation of Significant Variances greater than 10% versus Budget	
				Var	
<b>Revenue</b>					
Service charges	88,808,087	88,322,650	485,437	0.5	
Interest earned - external investments	8,898,704	8,000,000	898,704	11.2	Higher interest rate than expected
Government grants & subsidies	82,061,757	82,353,000	(291,243)	(0.4)	
Fees earned	402,000	825,000	(423,000)	(51.3)	Less income than expected
Other revenue	11,409,731	12,357,410	(947,679)	(7.7)	
Infrastructure Grant	70,955,891	67,579,000	3,376,891	5.0	
	262,536,170	259,437,060	3,099,110	1.2	
<b>Expenses</b>					
Personnel	(67,436,501)	(69,294,470)	1,857,969	(2.7)	
Remuneration of councillors	(3,951,457)	(4,371,860)	420,403	(9.6)	
Depreciation	(12,485,462)	(23,701,390)	11,215,928	(47.3)	Implementation of GRAP
Finance costs	(10,793,408)	(13,234,900)	2,441,492	(18.4)	
Repairs and maintenance -				(33.4)	Reclassification of Agency expense
General	(13,960,968)	(20,959,030)	6,998,062		
Bulk purchases	(8,719,712)	(8,450,000)	(269,712)	3.2	
General Expenses	(137,083,635)	(121,625,280)	(15,458,355)	12.7	Reclassification of Agency expense
	(254,431,143)	(261,636,930)	7,205,787	(2.8)	
Other revenue and costs					
Gain or (loss) on disposal of assets and liabilities	(11,345)	-	(11,345)	-	
Net surplus/ (deficit) for the year	8,093,682	(2,199,870)	10,293,552	(467.9)	

Unaudited schedule:  
Reconciliation of Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

R thousand	Description	Original Budget ( <i>to s26 and s31 of the MFMA</i> )	2012/2013			2011/2012										
			Final adjustments to budget	Shifting of funds ( <i>to s31 of the MFMA</i> )	Virement ( <i>to Council approved policy</i> )	Final Budget	Actual Outcome	Variance	Actual Outcome as % of Final Budget	as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome		
Revenue - Standard		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
<b>Governance and administration</b>		<b>65 020</b>	<b>(2 637)</b>	<b>62 393</b>	<b>—</b>	<b>—</b>	<b>62 393</b>	<b>\$2 993</b>	<b>100.73</b>	<b>97.61</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>81 844</b>	
Executive and council		1 000	—	1 000	—	—	1 000	752	(248)	602	—	—	—	—	46	
Budget and treasury office		72 229	(2 637)	69 593	—	—	69 863	70 374	—	681	100.98	75.17	—	—	75 852	
Corporate services		11 700	—	11 700	—	—	11 700	11 866	—	169	101.45	97.30	—	—	5 946	
<b>Community and public safety</b>		<b>14 774</b>	<b>—</b>	<b>14 774</b>	<b>—</b>	<b>—</b>	<b>14 774</b>	<b>15 049</b>	<b>—</b>	<b>315</b>	<b>115.20</b>	<b>101.45</b>	<b>—</b>	<b>—</b>	<b>14 542</b>	
Community and social services		2 556	—	2 556	—	—	2 556	2 821	—	265	110.35	102.13	—	—	2 562	
Sport and recreation		—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Public safety		5 783	—	5 263	—	—	5 263	5 557	—	294	105.59	105.59	—	—	5 481	
Housing		1 523	—	1 523	—	—	1 523	1 602	—	79	105.21	105.21	—	—	1 474	
Health		5 432	—	5 432	—	—	5 432	5 109	(323)	540	94.06	94.06	—	—	5 045	
<b>Economic and environmental services</b>		<b>56 784</b>	<b>10 803</b>	<b>67 589</b>	<b>—</b>	<b>—</b>	<b>67 589</b>	<b>70 942</b>	<b>—</b>	<b>3 393</b>	<b>0</b>	<b>125.00</b>	<b>—</b>	<b>—</b>	<b>64 454</b>	
Planning and development		10	—	10	—	—	10	28	—	16	259.20	259.20	—	—	15	
Road transport		56 776	10 803	67 579	—	—	67 579	70 956	—	3 377	105.06	124.98	—	—	64 443	
Environmental protection		—	—	—	—	—	—	—	—	—	—	—	—	—	—	
<b>Trading services</b>		<b>94 681</b>	<b>—</b>	<b>94 681</b>	<b>—</b>	<b>—</b>	<b>94 681</b>	<b>93 470</b>	<b>—</b>	<b>(1 211)</b>	<b>98.72</b>	<b>98.72</b>	<b>—</b>	<b>—</b>	<b>85 944</b>	
Electricity		—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Water		94 581	—	94 581	—	—	94 581	93 470	—	(1 211)	98.72	98.72	—	—	85 946	
Waste water management		—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Waste management		—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Other		—	—	—	—	—	—	—	—	—	—	—	—	—	—	
<b>Total Revenue - Standard</b>		<b>251 270</b>	<b>8 164</b>	<b>259 437</b>	<b>—</b>	<b>—</b>	<b>259 437</b>	<b>262 336</b>	<b>—</b>	<b>3 099</b>	<b>101.19</b>	<b>104.48</b>	<b>—</b>	<b>—</b>	<b>246 814</b>	
Expenditure - Standard																
<b>Governance and administration</b>		<b>45 927</b>	<b>343</b>	<b>46 208</b>	<b>—</b>	<b>—</b>	<b>46 208</b>	<b>48 442</b>	<b>—</b>	<b>2 393</b>	<b>105.17</b>	<b>106.00</b>	<b>—</b>	<b>—</b>	<b>80 740</b>	
Executive and council		11 046	—	11 046	—	—	11 046	12 440	—	1 794	116.24	116.24	—	—	10 250	
Budget and treasury office		20 653	363	21 215	—	—	21 215	22 749	—	1 534	107.23	109.08	—	—	56 230	
Corporate services		14 028	—	14 028	—	—	14 028	13 893	—	(835)	93.34	93.34	—	—	14 260	
<b>Community and public safety</b>		<b>46 920</b>	<b>2 000</b>	<b>48 920</b>	<b>—</b>	<b>—</b>	<b>48 920</b>	<b>44 991</b>	<b>—</b>	<b>(3 929)</b>	<b>91.97</b>	<b>95.89</b>	<b>—</b>	<b>—</b>	<b>46 449</b>	
Community and social services		3 834	—	3 834	—	—	3 834	3 901	—	(333)	91.30	91.30	—	—	3 187	
Sport and recreation		—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Public safety		25 123	2 000	27 123	—	—	27 123	26 761	—	(382)	98.66	106.52	—	—	28 072	
Housing		1 217	—	1 217	—	—	1 217	983	—	(234)	80.78	80.78	—	—	500	
Health		16 746	—	16 746	—	—	16 746	13 747	—	(2 998)	82.09	82.09	—	—	14 698	
<b>Economic and environmental services</b>		<b>63 420</b>	<b>10 803</b>	<b>74 223</b>	<b>—</b>	<b>—</b>	<b>74 223</b>	<b>75 045</b>	<b>—</b>	<b>482</b>	<b>101.16</b>	<b>114.39</b>	<b>—</b>	<b>—</b>	<b>68 169</b>	
Planning and development		6 844	—	6 644	—	—	6 644	4 129	—	(2 515)	62.15	62.15	—	—	3 726	
Road transport		56 776	10 803	67 578	—	—	67 578	70 956	—	3 377	105.06	124.94	—	—	64 443	
Environmental protection		—	—	—	—	—	—	—	—	—	—	—	—	—	—	
<b>Trading services</b>		<b>92 205</b>	<b>92 205</b>	<b>92 205</b>	<b>—</b>	<b>—</b>	<b>92 205</b>	<b>85 844</b>	<b>—</b>	<b>(6 521)</b>	<b>92.93</b>	<b>92.93</b>	<b>—</b>	<b>—</b>	<b>82 333</b>	
Electricity		—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Water		92 205	92 205	92 205	—	—	92 205	85 844	—	(6 521)	92.93	92.93	—	—	82 333	
Waste water management		—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Waste management		—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Other		—	—	—	—	—	—	—	—	—	—	—	—	—	—	
<b>Total Expenditure - Standard</b>		<b>244 472</b>	<b>—</b>	<b>105 371</b>	<b>—</b>	<b>261 637</b>	<b>—</b>	<b>254 442</b>	<b>—</b>	<b>(7 195)</b>	<b>97.25</b>	<b>102.40</b>	<b>—</b>	<b>—</b>	<b>277 691</b>	
Surplus/(Deficit) for the year		2 794	(87 095)	(2 200)	—	—	(2 200)	8 094	—	—	—	—	—	—	(30 877)	

**Unaudited schedule:**  
Reconciliation of Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Original Budget R thousand	2012/2013					2011/2012										
		Budget Adjustments (i.e. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.e. s31 of the MFMA)	Virement (i.e. Council approved policy)	Final Budget	Actual Outcome	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Variance	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Reported Audited Outcome
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
<b>Revenue by Vote</b>																	
Vote 1 - COMMUNITY SERVICES	89 192	(2 637)	86 555	-	86 719	-	-	164	100.19	97.23	-	-	-	-	85 028	-	-
Vote 2 - SUBSIDISED SERVICES	6 543	-	6 543	-	6 543	6 363	425	106.49	106.49	-	-	-	-	-	7 361	-	-
Vote 3 - ECONOMIC SERVICES	2 556	-	2 556	-	2 556	2 821	265	110.35	110.35	-	-	-	-	-	2 562	-	-
Vote 4 - HOUSING	1 523	-	1 523	-	1 523	1 602	79	105.21	105.21	-	-	-	-	-	1 474	-	-
Vote 5 - TRADING SERVICES	94 681	-	94 681	-	94 681	93 470	(1 211)	98.72	98.72	-	-	-	-	-	85 945	-	-
Vote 6 - AGENCIES	56 776	10 803	67 579	-	67 579	70 956	3 377	105.00	105.00	-	-	-	-	-	64 443	-	-
Vote 7 - [NAME OF VOTE 7]																	
Vote 8 - [NAME OF VOTE 8]																	
Vote 9 - [NAME OF VOTE 9]																	
Vote 10 - [NAME OF VOTE 10]																	
Vote 11 - [NAME OF VOTE 11]																	
Vote 12 - [NAME OF VOTE 12]																	
Vote 13 - [NAME OF VOTE 13]																	
Vote 14 - [NAME OF VOTE 14]																	
Vote 15 - [NAME OF VOTE 15]																	
<b>Total Revenue by Vote</b>	<b>254 271</b>	<b>8 168</b>	<b>259 437</b>	<b>-</b>	<b>259 437</b>	<b>262 536</b>	<b>-</b>	<b>3 099</b>	<b>101.19</b>	<b>104.48</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>248 813</b>	<b>-</b>	<b>-</b>
<b>Expenditure by Vote to be appropriated</b>																	
Vote 1 - COMMUNITY SERVICES	63 638	363	64 001	-	64 001	63 562	-	(439)	99.31	99.88	-	-	-	-	94 652	-	-
Vote 2 - SUBSIDISED SERVICES	30 801	2 000	32 801	-	32 801	29 757	(3 044)	90.72	96.61	-	-	-	-	-	34 104	-	-
Vote 3 - ECONOMIC SERVICES	3 834	-	3 834	-	3 834	3 501	(333)	91.30	91.30	-	-	-	-	-	3 187	-	-
Vote 4 - HOUSING	1 217	-	1 217	-	1 217	1 217	-	(234)	80.78	80.78	-	-	-	-	500	-	-
Vote 5 - TRADING SERVICES	92 205	-	92 205	-	92 205	85 684	(6 521)	92.93	92.93	-	-	-	-	-	80 804	-	-
Vote 6 - AGENCIES	56 776	10 803	67 579	-	67 579	70 956	3 377	105.00	105.00	-	-	-	-	-	64 443	-	-
Vote 7 - [NAME OF VOTE 7]																	
Vote 8 - [NAME OF VOTE 8]																	
Vote 9 - [NAME OF VOTE 9]																	
Vote 10 - [NAME OF VOTE 10]																	
Vote 11 - [NAME OF VOTE 11]																	
Vote 12 - [NAME OF VOTE 12]																	
Vote 13 - [NAME OF VOTE 13]																	
Vote 14 - [NAME OF VOTE 14]																	
Vote 15 - [NAME OF VOTE 15]																	
<b>Total Expenditure by Vote</b>	<b>248 471</b>	<b>13 168</b>	<b>261 637</b>	<b>-</b>	<b>261 637</b>	<b>254 442</b>	<b>-</b>	<b>(7 195)</b>	<b>91.25</b>	<b>102.40</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>277 690</b>	<b>-</b>	<b>-</b>
<b>Surplus/(Deficit) for the year</b>	<b>2 800</b>	<b>(5 000)</b>	<b>(2 200)</b>	<b>-</b>	<b>-</b>	<b>(2 200)</b>	<b>8 094</b>	<b>-</b>	<b>10 294</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(30 877)</b>	<b>-</b>	<b>-</b>

Unaudited schedule:  
Reconciliation of Table A4 Budgeted Financial Performance (revenue and expenditure)

Description R thousand	Original Budget (R. s.20 and 31 of the MFMA)	Budget Adjustments (R. s.20 and 31 of the MFMA)	Final adjustments in budget	Shifting of funds (1 to 31 of the MFMA)	Virement (1 to Council approved policy)	Final Budget	Actual Outcome as % of Final Budget	Variance	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome	2011/2012			
<b>Revenue By Source</b>																	
Property rates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Property rates - penalties & collection charges	87 458	-	87 458	-	-	87 458	87 183	-	(275)	99 69	99 69	-	-	-	80 575	-	
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rental of facilities and equipment	3 810	-	3 810	-	-	3 810	4 231	-	-	621	117 21	-	-	-	8 076	-	
Interest earned - external investments	8 020	-	8 020	-	-	8 020	8 925	-	-	905	111 28	-	-	-	-	-	
Interest earned - outstanding debts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Licences and permits	939	-	939	-	-	939	54	-	(885)	573	573	-	-	-	-	-	
Agency services	58 776	10 803	67 579	-	-	67 579	70 656	-	3 377	105 00	124 98	-	-	-	64 438	-	
Transfers recognised - operational	72 799	(583)	72 216	-	-	72 216	75 841	-	3 425	104 74	103 90	-	-	-	78 037	-	
Other revenue	11 589	(54)	11 515	-	-	11 515	9 125	-	(2 390)	79 25	78 88	-	-	-	15 290	-	
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	428	-	
Total Revenue (excluding capital transfers and contributions)	241 171	-	10 164	251 337	-	251 337	256 115	-	4 779	101 90	106 20	-	-	-	248 813	-	
<b>Expenditure By Type</b>																	
Employee related costs	69 608	(314)	69 294	-	-	69 294	67 437	-	(1 857)	97 32	96 88	-	-	-	66 164	-	
Remuneration of councillors	4 372	-	4 372	-	-	4 372	3 951	-	(421)	90 38	90 38	-	-	-	3 652	-	
Debt impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Depreciation & asset impairment	23 701	-	23 701	-	-	23 701	12 485	-	(11 216)	52 68	52 68	-	-	-	19 526	-	
Finance charges	13 235	-	13 235	-	-	13 235	10 793	-	10 793	81 35	81 55	-	-	-	11 164	-	
Bulk purchases	8 450	-	8 450	-	-	8 450	8 720	-	270	103 19	103 19	-	-	-	7 329	-	
Other materials	58 733	(37 774)	20 959	-	-	20 959	13 961	-	(6 998)	86 61	23 77	-	-	-	21 441	-	
Contracted services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfers and grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other expenditure	70 372	51 254	121 626	-	-	121 626	137 095	-	-	15 469	112 72	194 81	-	-	-	148 394	-
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Expenditure	244 471	13 164	265 637	-	-	265 637	254 442	-	(7 195)	97 25	102 40	-	-	-	277 690	-	
Surplus/(Deficit)	(7 300)	(3 000)	(10 300)	-	-	(10 300)	1 673	-	(1 673)	-	-	-	-	-	(30 877)	-	
Transfers recognised - capital	10 100	8 100	8 100	-	-	8 100	6 421	-	(1 679)	63 57	-	-	-	-	(30 877)	-	
Contributions recognised - capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(30 877)	-	
Contributed assets	2 800	5 100	(2 200)	-	-	(2 200)	8 094	-	-	10 254	-	0	-	-	(30 877)	-	
Sum/Deficit after capital transfers & contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(30 877)	-	
Taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(30 877)	-	
Surplus/(Deficit) after taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(30 877)	-	
Attributable to minorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(30 877)	-	
Surplus/(Deficit) attributable to municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(30 877)	-	
Share of surplus/(deficit) of associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(30 877)	-	
Surplus/(Deficit) for the year	2 800	5 100	(2 200)	-	-	(2 200)	8 094	-	(2 200)	10 254	-	0	-	-	(30 877)	-	

Unaudited schedule:  
Reconciliation of Table A3 Budget and Capital Expenditure by vote, standard classification and funding

Vote Description R thousand	Original Budget	Budget Adjustments (to 28 and 31 of the MFA)	Final budget adjustments budget	Shifting of funds (to 31 of the MFA)	Virement (to 31 of the MFA)	Final Budget	Actual Outcome representing policy	Unauthorised expenditure	Variance	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFAA	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFAA	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFAA	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFAA
<b>General Administration - Vote</b>																		
Vote 1 - COMMUNITY SERVICES	300	400	700	-	-	-	-	700	519	-	279	150.38	326.38	-	-	-	1.231	
Vote 2 - SUBSIDISED SERVICES	1 766	-	1 764	-	-	-	-	1 766	1 622	-	(144)	91.87	91.87	-	-	-	1.221	
Vote 3 - ECONOMIC SERVICES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 4 - HOUSING	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 5 - TRADING SERVICES	43 700	(11 099)	32 601	-	-	-	-	32 601	32 600	-	(155)	90.50	74.73	-	-	-	29.700	
Vote 6 - AGENCIES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	70	
Vote 7 - (NAME OF VOTE 7)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 8 - (NAME OF VOTE 8)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 9 - (NAME OF VOTE 9)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 10 - (NAME OF VOTE 10)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 11 - (NAME OF VOTE 11)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 12 - (NAME OF VOTE 12)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 13 - (NAME OF VOTE 13)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 14 - (NAME OF VOTE 14)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 15 - (NAME OF VOTE 15)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Capital expenditure sub-total	45 700	(10 000)	35 700	-	-	-	-	35 700	35 041	-	(265)	-	-	-	-	-	31 672	
Vote 1 - COMMUNITY SERVICES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 2 - SUBSIDISED SERVICES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 3 - ECONOMIC SERVICES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 4 - HOUSING	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 5 - TRADING SERVICES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 6 - AGENCIES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 7 - (NAME OF VOTE 7)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 8 - (NAME OF VOTE 8)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 9 - (NAME OF VOTE 9)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 10 - (NAME OF VOTE 10)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 11 - (NAME OF VOTE 11)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 12 - (NAME OF VOTE 12)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 13 - (NAME OF VOTE 13)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 14 - (NAME OF VOTE 14)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Capital budgeting year expenditure sub-total	45 700	(10 000)	35 700	-	-	-	-	35 047	35 041	-	(66)	-	0	0	-	-	31 672	
Capital Expenditure - Standard	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Government and administration	300	400	700	-	-	-	-	700	519	-	279	150.38	326.38	-	-	-	1.231	
Executive and council	300	400	700	-	-	-	-	700	519	-	279	150.38	326.38	-	-	-	1.221	
Budget and treasury office	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Corporate services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Community and public safety	1 764	-	1 764	-	-	-	-	1 764	1 622	-	(144)	91.87	91.87	-	-	-	1.415	
Community and social services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	96	
Sport and recreation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20	
Public safety	1 766	-	1 766	-	-	-	-	1 766	1 622	-	(144)	91.87	91.87	-	-	-	1.221	
Housing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Health	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Economic and environmental services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Planning and development	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rail transport	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Environmental protection	43 700	(11 099)	32 600	-	-	-	-	32 600	32 600	-	1 000	103.27	77.04	-	-	-	29.198	
Trading services	43 700	(11 099)	32 600	-	-	-	-	32 600	32 600	-	1 000	103.27	77.04	-	-	-	29.596	
Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	29.903	
Water	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	29.903	
Waste water management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Waste management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Capital Expenditure - Standard	45 700	(10 700)	35 000	-	-	-	-	35 000	34 200	-	1 200	103.45	78.75	-	-	-	31 671	
Funded by:	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
National Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Provincial Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other transfers and grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfers received - capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Public contributions & donations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Internally generated funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Capital Funding	45 700	35 000	35 000	-	-	-	-	35 000	34 200	-	1 200	103.43	78.75	-	-	-	31 671	

**Unaudited schedule:**  
**Reconciliation of Table A7 Budgeted Cash Flows**

R thousand	Description	2012/2013			2011/2012			
		Original Budget	Budget Adjustments (l.t.o. S28)	Final adjustments budget	Final Budget	Actual Outcome	Variance	Actual Outcome as % of Final Budget
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>								
Receipts								
Ratepayers and other	184 084	(4 963)	179 121	179 121	179 371	250	100,14	97,44
Government - operating	72 799	(563)	72 216	72 216	75 641	3 425	104,74	103,90
Government - capital	10 100	(2 000)	8 100	8 100	6 421	(1 679)	79,27	63,57
Interest	-	-	-	-	-	-	-	8 076
Dividends	-	-	-	-	-	-	-	-
Payments								
Suppliers and employees	(235 236)	(2 700)	(237 936)	(237 936)	(210 202)	27 734	88,34	89,36
Finance charges	-	-	-	-	-	-	-	-
Transfers and Grants	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>31 747</b>	<b>(10 246)</b>	<b>-</b>	<b>21 501</b>	<b>51 231</b>	<b>29 730</b>	<b>238,27</b>	<b>-161,37</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>								
Receipts								
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-
Decrease (increase) in non-current debtors	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-
Payments								
Capital assets	(45 766)	10 700	(35 066)	(35 066)	(35 066)	(956)	102,73	78,71
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(45 766)</b>	<b>10 700</b>	<b>(35 066)</b>	<b>(35 066)</b>	<b>(35 066)</b>	<b>(956)</b>	<b>102,73</b>	<b>78,71</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>								
Receipts								
Short term loans	-	-	-	-	-	-	-	-
Borrowing (long term/refinancing	30 000	-	30 000	30 000	20 581	(9 419)	68,60	68,60
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	(7 075)
Payments								
Repayment of borrowing	(7 944)	-	(7 944)	(7 944)	(10 793)	(2 849)	135,87	135,87
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>22 056</b>	<b>-</b>	<b>22 056</b>	<b>22 056</b>	<b>9 788</b>	<b>(12 268)</b>	<b>44,38</b>	<b>44,38</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>8 037</b>	<b>8 037</b>	<b>8 492</b>	<b>8 492</b>	<b>24 986</b>	<b>16 504</b>	<b>-</b>	<b>(17 085)</b>
Cash/cash equivalents at the year begin:	<b>134 240</b>	<b>134 240</b>	<b>134 240</b>	<b>134 240</b>	<b>134 240</b>	<b>151 325</b>	<b>-</b>	<b>151 325</b>
Cash/cash equivalents at the year end:	<b>142 277</b>	<b>142 277</b>	<b>142 732</b>	<b>142 732</b>	<b>159 237</b>	<b>16 505</b>	<b>-</b>	<b>134 240</b>

**West Coast District Municipality**  
**West Coast District Municipality**  
**Appendix B**

**Analysis of property, plant and equipment as at 30 June 2012**  
**Accumulated depreciation**

		Cost/Revaluation						Accumulated depreciation							
		Opening Balance Rand	Additions Rand	Disposals Rand	Transfers Rand	Revaluations Rand	Other changes, movements Rand	Closing Balance Rand	Opening Balance Rand	Disposals Rand	Transfers Rand	Depreciation Rand	Impairment loss Rand	Closing Balance Rand	Carrying value Rand
<b>Land and buildings</b>															
Land	Undeveloped land	13,000,221 4,388,010	-	(618,157) (1,528,710)	-	-	-	-	12,382,064 2,859,300	-	-	-	-	12,382,064 2,859,300	
		<b>17,388,231</b>	-	<b>(2,146,867)</b>	-	-	-	-	<b>15,241,364</b>	-	-	-	-	<b>15,241,364</b>	
<b>Infrastructure</b>															
Roads, Pavements & Bridges	7,480,240	581,688	(7,427,131)	-	-	-	-	43,109	(50,779)	96,816	-	(56,548)	-	(10,511)	32,598
Electricity supply / Reticulation	21,521	(581,688)	(581,688)	-	-	-	-	21,521	(6,458)	80	-	(1,158)	(6,756)	13,865	
Transformers	275,667	(17,771)	(17,771)	-	-	-	-	257,896	(58,895)	5,986	-	(10,321)	(63,220)	194,676	
Lines overhead	5,180,903	(5,180,903)	-	-	-	-	-	1,928,085	2,058,373	-	-	(130,288)	-	-	
Cables	181,753	-	(42,991)	-	-	-	-	181,753	(9,612)	-	-	(4,047)	(72,581)	168,094	
Mini sub stations	243,615	(84,662)	(84,662)	-	-	-	-	200,824	(7,104)	14,506	-	(11,033)	(1,444,760)	128,023	
Water Purification	22,145,329	3,834	(84,662)	-	-	-	-	22,145,329	(7,772,721)	24,761	-	(7,772,721)	(9,192,720)	12,952,809	
Water Reticulation	108,485,050	22,900,999	(169)	-	-	-	-	131,085,980	(15,630,092)	75	-	(3,370,738)	(140,856)	112,065,125	
Dams	5,632,693	-	(77,859)	-	-	-	-	5,652,893	(1,045,197)	-	-	(1,045,197)	(1,186,033)	4,466,500	
Pump Stations	7,446,766	1,391,978	(77,859)	-	-	-	-	8,760,385	(1,081,174)	17,745	-	(2,219,900)	(1,334,448)	7,436,437	
Reservoirs	102,683,965	4,298,605	(211,378)	-	-	-	-	106,771,180	(15,484,724)	81,648	-	(17,623,066)	89,448,114		
Sewer / Reticulation	6,224,329	-	(6,224,329)	-	-	-	-	3,567,349	(1,856,503)	1,683,714	-	(147,514)	(320,303)	3,247,046	
Waste Purification	9,055,715	-	(5,488,386)	-	-	-	-	882,366	-	-	-	-	(882,366)	882,366	
Landfill Sites	1,421,698	-	(539,432)	-	-	-	-	279,570,685	(45,020,344)	3,983,714	-	(7,798,282)	-	(48,834,912)	
	<b>276,580,280</b>	<b>28,877,084</b>	<b>(25,886,479)</b>	-	-	-	-	<b>279,570,685</b>	<b>(45,020,344)</b>	<b>3,983,714</b>	-	<b>(7,798,282)</b>	-	<b>(48,834,912)</b>	<b>230,735,773</b>
<b>Buildings</b>															
Residences (Personnel)	5,427,659	-	(188,750)	-	-	-	-	5,238,909	(1,459,975)	54,974	-	(344,879)	-	(1,789,880)	3,449,029
Sportsfields and Stadiums	11,998	-	(111,988)	-	-	-	-	(4,158)	(603,893)	4,528	-	(370)	(112,473)	-	
Clinics and community health	2,633,125	-	(9,045,490)	-	-	-	-	2,306,271	(914,207)	95,197	-	(199,433)	(378,349)	1,685,102	
Community halls	10,182,828	-	-	-	-	-	-	1,137,338	(5,825,896)	75,341	-	(1,437,089)	(7,262,986)	758,989	
Fire stations	37,328,032	-	-	-	-	-	-	37,328,032	(5,825,896)	-	-	(23,649)	(38,676)	30,065,047	
Recreational facilities	1,351,102	-	(1,124,158)	-	-	-	-	226,944	(98,634)	83,607	-	(17,589)	(44,052)	188,288	
Hospitals and ambulance stations	657,487	-	-	-	-	-	-	657,487	(36,483)	-	-	(17,589)	(60,345)	-	
Laboratories	11,222	1,728	(11,222)	-	-	-	-	1,728	(3,030)	3,268	-	(2,277,220)	(5,618,417)	-	
Office buildings	8,255,000	-	(409,363)	-	-	-	-	7,855,637	(1,838,775)	119,228	-	(457,637)	(112,473)	-	
Public parking	588,690	-	(17,306)	-	-	-	-	671,384	(1159,182)	5,040	-	(36,233)	(381,009)	-	
Warehouses	1,067,041	-	(40,305)	-	-	-	-	1,026,736	(295,986)	11,739	-	(56,851)	(340,614)	686,122	
None residential perimeter protection	821,721	-	(80,113)	-	-	-	-	741,608	(304,779)	6,050	-	(40,388)	(339,117)	402,491	
Ablution / public facilities	421,045	-	(315,249)	-	-	-	-	105,796	(53,960)	27,625	-	(10,147)	(36,482)	69,314	
Other	2,420,480	-	(214,867)	-	-	-	-	2,205,613	(345,067)	61,908	-	(88,492)	(371,681)	1,633,962	
	<b>71,187,430</b>	<b>1,728</b>	<b>(11,785,675)</b>	-	-	-	-	<b>59,403,483</b>	<b>(12,043,535)</b>	<b>1,208,506</b>	-	<b>(2,826,595)</b>	-	<b>(13,650,628)</b>	<b>45,742,856</b>

**Analysis of property, plant and equipment as at 30 June 2012**  
**Cost/Revaluation**      **Accumulated depreciation**

	Opening Balance Rand	Additions Rand	Disposals Rand	Transfers Rand	Revaluations Rand	Other changes, movements Rand	Closing Balance Rand	Opening Balance Rand	Disposals Rand	Transfers Rand	Depreciation Rand	Impairment loss Rand	Closing Balance Rand	Carrying value Rand
<b>Other assets</b>														
General vehicles	32,282,966	26,369	(1,270,754)					31,038,581	(15,346,811)		797,903	(5,172,364)	(19,721,272)	11,317,309
Automobile equipment	385,114	58,035	(3,868)					439,281	(191,950)		1,833	(70,935)	(281,052)	177,229
Computer equipment	3,559,449	376,899	(131,919)					3,804,229	(2,118,723)		108,287	(632,450)	(2,642,866)	1,161,363
Domestic equipment	48,294	1,380	(2,762)					46,912	(121,774)		1,656	(13,146)	(3,264)	13,846
Electrical wire and power distribution	3,125,153	10,078	(15,716)					3,119,516	(2,535,275)		11,819	(127,777)	(2,651,183)	468,533
Office equipment	765,434	598,108	(82,270)					1,281,272	(408,624)		72,249	(192,162)	(328,537)	752,735
Emergency / rescue equipment	197,131	53,489	(2,012)					248,608	(22,523)		34	(23,834)	(46,323)	202,785
Elevator systems	6,398	-	-					6,398	(5,598)		-	(80)	(6,678)	6,392,720
Fire fighting equipment	1,967,898	764,031	(9,652)					2,722,278	(372,948)		493	(457,632)	(330,104)	1,892,174
Gardening equipment	78,274	11,980	(3,418)					86,836	(47,673)		2,870	(21,058)	(16,381)	20,975
Security equipment and systems	102,722	-	-					102,722	(22,987)		-	(20,768)	(3,756)	58,967
Kitchen appliances	479,400	22,044	(62,013)					449,431	(223,062)		25,485	(81,157)	(27,734)	170,997
Laboratory equipment	267,562	106,257	(3,702)					370,117	(105,639)		2,036	(66,998)	(170,561)	198,556
Medical and allied equipment	153,795	62,117	(197)					216,715	(113,477)		94	(18,488)	(13,841)	83,874
Pumps / plumbing	172,962	114,195	(6,880)					280,277	(98,870)		3,385	(50,297)	(145,752)	134,525
Radio equipment	1,358,808	257,547	(8,503)					1,807,952	(408,645)		7,293	(288,902)	(89,254)	917,598
Road construction and maintenance	24,877	-	-					24,877	(9,387)		-	(14,147)	(13,534)	11,343
Office furniture	5,995,088	244,776	(293,302)					5,946,560	(3,538,240)		166,021	(97,472)	(4,346,981)	1,599,609
Workshop equipment and loose tools	823,428	40,396	(77,788)					786,036	(558,393)		71,879	(105,713)	(582,227)	193,809
Air conditioners	525,488	29,644	(36,326)					518,806	(213,065)		17,315	(118,184)	(313,934)	204,672
Other	835,683	1,878	(10,426)					827,135	(196,058)		5,698	(136,063)	(36,423)	500,712
<b>53,155,923</b>	<b>2,779,024</b>	<b>(2,011,708)</b>						<b>53,923,239</b>	<b>(26,559,719)</b>		<b>1,296,350</b>		<b>(8,576,737)</b>	<b>-</b>
<b>Intangible assets</b>														
Computer software	1,151,300	13,306	-					1,164,606	(456,155)		-	(222,986)	-	(719,151)
<b>Investment properties</b>														
Investment property (Ganzekraal)	5,474,271	-						1,164,606	(456,155)		-	(222,986)	-	(719,151)
<b>Total</b>								<b>5,474,271</b>	<b>(440,862)</b>		<b>-</b>	<b>(102,248)</b>	<b>-</b>	<b>(543,110)</b>
Land and buildings	17,386,231	28,877,084	(2,146,987)					15,241,364	(45,020,344)		3,983,714	-	(48,834,912)	15,241,364
Infrastructure	276,580,280	(25,386,679)	-					279,570,685	(12,043,535)		1,208,505	(2,825,598)	(13,580,628)	230,735,773
Buildings	71,187,430	1,728	(11,785,675)					63,923,239	(26,559,719)		1,296,350	(8,576,737)	(3,840,106)	45,742,856
Other assets	53,155,923	2,779,024	(2,011,708)					1,164,606	(456,155)		-	(222,986)	(719,151)	445,455
Intangible assets	1,151,300	13,306	-					5,474,271	(440,862)		-	(102,248)	(543,110)	4,931,161
Investment properties	5,474,271	-						<b>5,474,271</b>	<b>(440,862)</b>		<b>-</b>	<b>(102,248)</b>	<b>-</b>	<b>(543,110)</b>
<b>424,937,435</b>	<b>31,671,142</b>	<b>(41,830,929)</b>						<b>414,777,648</b>	<b>(84,560,615)</b>		<b>6,498,569</b>		<b>(97,697,907)</b>	<b>317,179,741</b>

**West Coast District Municipality**  
**West Coast District Municipality**  
**Appendix B**  
June 2013

**Analysis of property, plant and equipment as at 30 June 2013**  
**Cost/Revaluation**      **Accumulated depreciation**

	Opening Balance Rand	Additions Rand	Disposals Rand	Transfers Rand	Revaluations Rand	Other changes, movements Rand	Closing Balance Rand	Opening Balance Rand	Disposals Rand	Transfers Rand	Depreciation Rand	Impairment loss Rand	Closing Balance Rand	Carrying value Rand	
<b>Land and buildings</b>															
Land	12 382 064	-	(898)	(124 248)	-	-	12 256 918	-	-	-	-	-	-	12 256 918	
Undeveloped land	2 859 300	-	(898)	(124 248)	-	-	2 859 300	-	-	-	-	-	-	2 859 300	
<b>16 241 364</b>	<b>-</b>	<b>(898)</b>	<b>(124 248)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15 116 218</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15 116 218</b>	
<b>Infrastructure</b>															
Roads, Pavements & Bridges	43 109	-	-	182 318	-	-	225 427	(10 511)	-	-	(61 169)	-	(79 189)	146 238	
Electricity Supply / Reticulation	21 521	-	-	-	21 521	(7 536)	-	-	-	-	(1 075)	-	(8 611)	12 910	
Transformers	257 896	-	-	-	267 896	(63 229)	-	-	-	-	(5 154)	-	(88 374)	189 522	
Cables	181 753	-	-	-	181 753	(13 659)	-	-	-	-	(4 036)	-	(17 695)	164 058	
Mini sub stations	200 624	-	-	-	200 624	(72 601)	-	-	-	-	(6 683)	-	(79 284)	121 340	
Water Purification	22 145 529	1 024 785	-	12 929 36	-	-	36 099 750	(9 192 720)	-	-	(2 136 891)	-	(11 980 142)	24 109 608	
Water Reticulation	32 141 042	(2 010)	(3 627 106)	-	169 597 206	(19 020 755)	1 423	(184 491)	-	-	(2 439 511)	-	(21 643 339)	137 955 867	
Dams	131 085 880	-	(5 542 346)	-	110 347	(1 186 093)	-	1 167 663	-	-	(1 811)	-	(20 241)	90 106	
Pump Stations	5 652 693	-	(349 895)	-	9 110 780	(1 324 448)	-	(336 453)	-	-	(227 640)	-	(1 888 541)	7 222 239	
Reservoirs	8 760 385	-	(1 823 970)	-	104 947 210	(17 623 066)	-	606 557	-	-	(1 459 486)	-	(18 475 995)	86 471 215	
Waste Purification	106 771 180	-	1 672 876	-	5 240 225	(320 303)	-	(319 954)	-	-	(108 540)	-	(748 797)	4 491 428	
Landfill Sites	3 567 349	-	-	-	882 266	-	-	-	-	-	-	-	-	882 266	
<b>278 570 686</b>	<b>33 165 827</b>	<b>(2 010)</b>	<b>4 140 503</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>316 876 906</b>	<b>(48 834 912)</b>	<b>1 423</b>	<b>(1 264 738)</b>	<b>(4 921 981)</b>	<b>-</b>	<b>(55 020 208)</b>	<b>261 834 797</b>	
<b>Buildings</b>															
Residences (Personnel)	5 238 909	-	(29 591)	222 042	-	-	5 431 360	(1 789 880)	13 202	(48 940)	(181 366)	-	-	(2 006 984)	3 424 376
Clinics and community health	2 306 271	-	(380 452)	1 925 819	-	-	980 019	(621 169)	-	(61 344)	(31 779)	-	-	(689 364)	1 336 456
Community halls	1 131 338	-	(177 319)	-	32 941 191	(7 262 385)	-	-	919 789	(1 061 854)	-	-	(351 494)	688 525	
Fire stations	37 328 032	-	(4 386 841)	-	326 844	(38 676)	-	-	-	(7 560)	(7 405 050)	-	(46 236)	25 536 141	
Recreational facilities	226 944	-	-	-	3 249 441	(54 052)	-	-	(103 860)	-	(78 891)	-	-	(78 891)	180 708
Hospitals and ambulance stations	657 487	-	2 591 954	-	-	-	-	-	-	-	-	-	-	-	2 459 550
Laboratories	-	(1 728)	-	-	6 687 940	(2 237 220)	-	-	94 487	(217 620)	-	-	-	-	-
Office buildings	7 855 637	-	(1 167 687)	-	609 864	(190 315)	-	-	(10 467)	(20 314)	-	-	-	-	-
Public buildings	571 384	-	38 480	-	1 556 144	(340 614)	-	(152 347)	-	(52 332)	(1 043 812)	-	-	(542 332)	-
Public parking	1 026 736	-	529 408	-	449 183	(339 117)	-	110 998	(9 356)	-	(231 476)	-	-	(231 476)	2 11 708
Warehouses	741 608	-	(292 425)	-	75 000	(36 482)	-	13 202	(1 999)	-	(1 799 921)	-	-	(1 799 921)	49 721
None residential perimeter protection	105 796	-	(30 796)	-	2 205 613	(37 1 651)	-	-	(63 972)	-	(436 523)	-	-	(436 523)	1 789 990
Ablution / public facilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>59 403 483</b>	<b>-</b>	<b>(29 591)</b>	<b>(3 055 374)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>56 318 518</b>	<b>(13 680 628)</b>	<b>13 202</b>	<b>446 784</b>	<b>(1 810 985)</b>	<b>-</b>	<b>(15 011 237)</b>	<b>41 307 281</b>	

**Analysis of property, plant and equipment as at 30 June 2013**  
**Cost/Revaluation**      **Accumulated depreciation**

	Opening Balance Rand	Additions Rand	Disposals Rand	Transfers Rand	Revaluations Rand	Other changes, movements Rand	Closing Balance Rand	Opening Balance Rand	Disposals Rand	Transfers Rand	Depreciation Rand	Impairment loss Rand	Closing Balance Rand	Carrying value Rand
<b>Other assets</b>														
General vehicles	31,038,581	925,169	(1,444,302)	1,167,508	-	-	31,686,956	(19,721,272)	1,336,413	(36,738)	(3,276,164)	-	(21,697,761)	9,988,195
Audiovisual equipment	4,439,281	40,072	(2,719)	94,515	-	-	571,149	(261,052)	2,402	(14,029)	(78,286)	-	(250,975)	220,74
Computer equipment	3,804,229	308,238	(264,953)	13,337	-	-	3,861,771	(2,642,866)	221,194	(130,337)	(33,522)	-	(2,63,857)	1,231,914
Domestic equipment	46,912	1,007	(3,837)	-	-	-	44,560	(33,264)	3,311	(5,594)	(2,188)	-	(32,497)	12,053
Electrical wire and power distribution	3,119,516	1,752	(3,108,335)	-	-	-	12,933	(2,651,183)	-	2,646,834	(36,596)	-	(21,070)	6,396
Office equipment	1,281,272	24,102	(7,541)	(972,648)	-	-	325,186	(528,537)	5,808	(349,245)	(133,830)	-	(238,760)	115,115
Emergency / rescue equipment	248,608	200,339	-	351,096	-	-	800,043	(46,323)	(58,607)	(58,607)	(80)	-	(5,758)	56,1283
Elevator systems	6,398	-	-	-	-	-	6,398	(5,679)	-	(144,865)	(144,865)	-	(1,120,032)	1,600,889
Fire fighting equipment	2,722,278	725,092	(726,449)	-	-	-	2,720,921	(830,104)	(248)	(43,733)	(43,733)	-	(72,783)	72,053
Gardening equipment and systems	86,836	58,908	(3,578)	2,670	-	-	144,836	(65,861)	3,338	(10,012)	(10,012)	-	(59,863)	43,576
Security equipment and systems	102,722	717	-	-	-	-	103,439	(43,755)	-	(16,108)	(16,108)	-	(283,103)	160,095
Kitchen appliances	22,954	(45,749)	-	156,562	-	-	443,198	(278,734)	27,831	(43,140)	(43,140)	-	(344,721)	228,557
Laboratory equipment	449,431	-	134,063	-	-	-	573,278	(170,561)	-	(57,808)	(57,808)	-	(53,799)	67,985
Medical and allied equipment	370,117	69,098	-	(103,911)	-	-	120,384	(131,841)	-	99,428	(99,428)	-	(21,386)	(2,152)
Pumps / plumbing	215,715	9,080	-	(255,550)	-	-	24,727	(145,752)	-	124,751	(124,751)	-	(2,144)	(941,553)
Radio equipment	1,607,852	263,995	-	(2,350)	-	-	1,669,497	(690,254)	-	11,634	(249,284)	-	(977,904)	(977,904)
Road construction and maintenance	24,877	-	(24,877)	-	-	-	1,630,534	(13,534)	-	13,534	(249,284)	-	(3,122,984)	1,134,673
Office furniture	5,946,560	115,863	(82,670)	(1,722,096)	-	-	4,267,657	(4,346,951)	63,327	(1,428,077)	(1,428,077)	-	(4,267,657)	888,900
Workshop equipment and loose tools	786,036	250,183	-	2,288,772	-	-	3,324,391	(592,227)	-	(1,636,322)	(1,636,322)	-	(484,797)	240,568
Air conditioners	518,606	33,442	-	153,257	-	-	705,305	(313,934)	-	(82,124)	(82,124)	-	(1,635,913)	765,738
Other	827,135	27,498	(102,878)	1,699,908	-	-	2,461,681	(329,423)	68,440	(1,168,037)	(1,168,037)	-	(259,893)	-
<b>63,923,239</b>	<b>3,077,517</b>	<b>(1,957,327)</b>	<b>(99,656)</b>	-	-	-	<b>54,048,759</b>	<b>(33,840,106)</b>	<b>1,732,064</b>	<b>1,738,408</b>	<b>(5,487,108)</b>	-	<b>(35,736,740)</b>	<b>18,262,029</b>
<b>Intangible assets</b>														
Computer software	1,164,606	24,162	(5,428)	-	-	-	1,183,340	(719,151)	2,875	-	(147,008)	-	(863,284)	320,056
<b>Investment properties</b>														
Investment property (Ganzeekraal)	5,474,271	-	-	33,779	-	-	6,508,050	(543,110)	-	(14,194)	(138,772)	-	(636,076)	4,811,974
<b>Total</b>	<b>6,474,271</b>	<b>-</b>	<b>33,779</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,508,050</b>	<b>(643,110)</b>	<b>2,875</b>	<b>(14,194)</b>	<b>(138,772)</b>	<b>-</b>	<b>(636,076)</b>	<b>4,811,974</b>
Land and buildings	15,241,364	33,165,827	(898)	(124,248)	-	-	16,116,218	(48,834,912)	1,423	(1,264,738)	(4,921,981)	-	(55,020,208)	15,116,218
Infrastructure	279,570,685	(2,010)	-	4,140,503	-	-	316,876,005	(13,660,628)	13,202	1,466,784	(1,810,195)	-	(15,011,237)	261,834,797
Buildings	59,403,483	(3,837)	(29,591)	(3,055,374)	-	-	56,318,759	(33,840,106)	1,732,064	1,738,408	(5,467,106)	-	(35,786,740)	18,262,029
Other assets	53,923,239	3,077,517	(1,957,327)	(994,660)	-	-	54,048,759	(719,151)	2,875	(14,194)	(147,008)	-	(863,284)	320,056
Intangible assets	1,164,606	24,162	(5,428)	-	33,779	-	5,608,050	(543,110)	-	(14,194)	(138,772)	-	(636,076)	4,811,974
Investment properties	5,474,271	-	-	-	-	-	449,049,900	(97,597,907)	1,749,564	936,260	(12,485,462)	-	(107,377,545)	341,672,356

**West Coast District Municipality**  
**Appendix C**  
June 2013

**Segmental analysis of property, plant and equipment as at 30 June 2013**  
**Accumulated Depreciation**

	Cost/Revaluation		Accumulated Depreciation		Closing Balance Rand	Impairment deficit Rand	Carrying value Rand		
	Opening Balance Rand	Additions Rand	Disposals Rand	Transfers Rand	Revaluations Rand	Other changes, movements Rand	Closing Balance Rand	Depreciation Rand	Transfers Rand
<b>Municipality</b>									
Executive and Council	506,511	23,311	(9,467)	(35,477)	-	-	484,878	(370,215)	6,867
Finance and Administration	70,571,818	406,087	(1,010,909)	80,336	-	-	70,147,532	(20,883,184)	836,816
Health / Clinics	2,610,364	28,811	(101,571)	(666,711)	-	-	2,370,833	(1,016,197)	89,517
Community & Social / Libraries and archives	3,638,514	272,724	(114,725)	(1,336,111)	-	-	5,132,624	(2,423,900)	154,556
Public safety / Police	44,945,981	1,114,554	(418,456)	(1,402,445)	-	-	44,239,644	(15,771,290)	40,075
Sport and recreation	53,529	-	-	-	-	-	53,529	(6,503)	-
Waste water management / Sewerage	1,839,530	4,156	-	113,221	-	-	1,966,917	(716,904)	-
Road transport / Roads	256,560	1,939	(1,178)	18,057	-	-	275,378	(206,484)	1,160
Water / Water distribution	288,375,009	33,970,692	(338,948)	273,843	-	-	322,280,596	(55,243,520)	312,236
Electricity distribution	1,648,932	445,232	-	(16,717)	-	-	2,077,447	(337,716)	5,791
Other	30,890	-	-	(428)	-	-	30,462	(21,914)	3,087
<b>414,777,648</b>	<b>36,267,506</b>	<b>(1,986,264)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>449,049,900</b>	<b>(97,687,907)</b>	<b>986,260</b>
<b>Total</b>	<b>414,777,648</b>	<b>36,267,506</b>	<b>(1,986,254)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>449,048,900</b>	<b>(97,597,907)</b>	<b>956,260</b>
<b>Municipality</b>	<b>414,777,648</b>	<b>36,267,506</b>	<b>(1,986,254)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>449,048,900</b>	<b>(97,597,907)</b>	<b>956,260</b>

**West Coast District Municipality**  
**Appendix D**  
June 2013

**Segmental Statement of Financial Performance for the year ended**  
**30 June 2013**

30 June 2012			30 June 2013		
Actual Income Rand	Actual Expenditure Rand	Surplus (Deficit) Rand	Actual Income Rand	Actual Expenditure Rand	Surplus (Deficit) Rand
<b>Municipality</b>					
47,536	10,249,504	(10,201,968) Executive & Council/Mayor and Council	751,676	12,839,671	(12,087,995)
81,800,184	70,190,511	11,309,673 Finance & Admin/Finance	82,243,517	35,842,761	46,400,756
15,000	3,725,964	(3,710,964) Planning and Development/Economic Development/Plan	25,777	2,620,555	(2,594,778)
5,045,479	14,689,597	(9,644,118) Health/Clinics	5,108,845	13,746,834	(8,637,989)
1,473,606	500,234	973,372 Housing	1,602,275	983,040	619,235
5,481,329	28,072,193	(22,590,864) Public Safety/Police	5,557,060	26,760,647	(21,203,587)
2,561,591	3,186,958	(625,367) Sport and Recreation	2,820,623	3,500,546	(679,923)
64,443,143	64,443,143	– Road Transport/Roads	70,955,891	70,955,891	–
85,945,242	80,803,723	5,141,519 Water/Water Distribution	93,470,363	85,684,085	7,786,278
–	1,528,381	(1,528,381) Other/Air Transport	143	1,508,458	(1,508,315)
<b>246,813,110</b>	<b>277,690,208</b>	<b>(30,877,098)</b>	<b>262,536,170</b>	<b>254,442,488</b>	<b>8,093,682</b>
<b>Municipal Owned Entities</b>					
<b>Other charges</b>					
246,813,110	277,690,208	(30,877,098) Municipality	262,536,170	254,442,488	8,093,682
<b>246,813,110</b>	<b>277,690,208</b>	<b>(30,877,098) Total</b>	<b>262,536,170</b>	<b>254,442,488</b>	<b>8,093,682</b>

**West Coast District Municipality**  
**Appendix E (1)**  
June 2013

**Schedule of external loans as at 30 June 2013**

	Loan Number	Redeemable	Balance at 30 June 2012	Received during the period	Redeemed written off during the period	Balance at 30 June 2013	Carrying Value of Property, Plant & Equipment	Other Costs in accordance with the MFMA
<b>External Loans</b>								
Sanlam Credit Conduit (Pty) Ltd	1	30/06/2018	22,579,669	-	-	2,725,558	19,854,111	-
DBSA	1	30/06/2020	35,598,185	-	-	2,893,480	32,704,705	-
ABSA	1	31/12/2021	32,912,630	-	-	2,299,976	30,612,654	-
DBSA	1	31/10/2022	-	30,000,000	1,500,000	28,500,000	-	-
			<b>91,090,484</b>	<b>30,000,000</b>	<b>9,419,014</b>	<b>111,671,470</b>	<b>-</b>	<b>-</b>
<b>Total external loans</b>								
External Loans								
			91,090,484	30,000,000	9,419,014	111,671,470	-	-
			<b>91,090,484</b>	<b>30,000,000</b>	<b>9,419,014</b>	<b>111,671,470</b>	<b>-</b>	<b>-</b>

**West Coast District Municipality**  
**Appendix E(2)**

June 2013

**Budget Analysis of Capital Expenditure as at 30 June  
2013**

<b>Municipality</b>	<b>Additions</b>	<b>Revised Budget</b>	<b>Variance</b>	<b>Variance</b>	<b>Explanation of significant variances from budget</b>
	Rand	Rand	Rand	%	
Finance & Admin/Finance	979,180	700,000	(279,180)	(40)	GRAP implementation
Public Safety/Police	1,622,370	1,765,500	143,130	8	Saving on projects
Water/Water Distribution	33,665,956	32,600,000	(1,065,956)	(3)	Saving on projects
<b>Total</b>	<b>36,267,506</b>	<b>35,065,500</b>	<b>(1,202,006)</b>	<b>(3)</b>	

West Coast District Municipality  
 West Coast District Municipality  
 Appendix F  
 Disclosures of Grants and Subsidies in terms of Section 123 MFMA, 56 of 2003  
 June 2013

Name of Grants	Quarterly Receipts			Quarterly Expenditure		
	Mar	Jun	Sep	Mar	Jun	Sep
Cederberg Biosphere	-	-	-	-	7,354	-
Prov management grant	1,000,000	-	-	340,515	32,378	-
Knersvlakte Biosphere	-	-	-	-	93,248	-
Training of Housing Officials	-	-	-	-	492,449	-
MSIG	-	-	-	-	201,639	-
Integrated EPWP Grant	-	-	-	-	-	23,545
ACIP Grant	-	-	-	-	-	59,868
RBIG Grant	288,000	586,758	3,375,004	363,000	-	410,556
Financial Management Grant	-	-	-	355,634	-	263,541
Ignite Assist	-	-	-	194,806	586,578	-
Drought Relief Programme	-	-	-	786,776	269,225	1,807,901
Alternative Water Reserve Study	-	-	-	-	327,649	223,127
Bucket Eradication Chatsworth	-	-	-	-	210,845	360,287
Bulk Water Master Plan	-	-	-	-	46,625	410
Asset Management Bulk Water	-	-	-	-	-	-
Kliprand Electricity	600	-	-	-	-	-
Mayor Fund	-	-	-	34,150	-	25,964
Capacity Building Globang Fund	-	-	-	-	34,596	6,074
	1,288,600	586,758	5,871,273	1,418,407	4,434,153	1,023,835
						1,856,105
						3,040,807
						2,731,089
						2,013,916